

To,  
The BSE Limited,  
P.J Towers,  
Dalal Street,  
Mumbai - 400 001

Date: 02.09.2025

**Dear Sir/Madam,**

**Sub: Notice of the 55<sup>TH</sup> Annual General Meeting (AGM) of the Company and Annual Report for the financial year 2024-25.**

Pursuant to the provisions of SEBI (listing Obligation and Disclosure Requirements) Regulations 2015, please find enclosed herewith the Notice of the 55<sup>th</sup> Annual General Meeting (AGM) of the Company and Annual Report for the financial year 2024-25.

In compliance with the applicable Circulars issued by MCA and SEBI, the Notice of the 55<sup>th</sup> AGM along with the Annual Report for the FY 2024-25 is being sent today only through electronic mode to those members whose email IDs are registered with the Company / Depositories.

In addition, pursuant to Regulation 36(1)(b) of the Listing Regulations, a letter is being sent today to the Members whose email addresses are not registered, stating the web-link where the Annual Report is uploaded on website.

Further, notice of the 55<sup>th</sup> AGM and the Annual Report for the FY 2024-25 are also made available on the website of the Company at [www.kotharis.in](http://www.kotharis.in).

This is for your information and necessary records.

Thanking you,

Yours Faithfully,  
**For Kothari Industrial Corporation Limited**

**Anil Kumar Padhiali**  
**Company Secretary and Compliance Officer**





**55<sup>th</sup> Annual Report**  
2024-2025



# Kothari Industrial Corporation Limited



## BOARD OF DIRECTORS

<b>Mr. J. Rafiq Ahmed</b>	DIN (02861341)	<b>Executive Chairman &amp; Managing Director</b>
Mr. Velayutham Anburaj	DIN (10836969)	Independent Director
Mr. D.Gunasekaran	DIN (07326495)	Independent Director
Mrs. T.A. Rajalaxmi	DIN (08148628)	Non-Executive Non - Independent Director

## COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Anil Kumar Padhiali

## CHIEF FINANCIAL OFFICER

Mr. Hari Kishore

## STATUTORY AUDITORS

M/s. Ray & Ray  
Chartered Accountants

## REGISTRARS:

**M/s. Integrated Registry Management  
Services Private Limited**

2<sup>nd</sup> Floor, "Kences Towers",  
1, Ramakrishna Street, off North Usman Road,  
T. Nagar, Chennai 600 017.

## INTERNAL AUDITOR

Mr. Venkateswara Rao  
Chartered Accountant

## SECRETARIAL AUDITOR

M/s. Santosh Kumar Senapati & Co  
Practicing Company Secretaries

## REGISTERED OFFICE:

"Kothari Buildings"  
114, Mahathma Gandhi Salai,  
Chennai – 600 034.  
Tel.No.+91 044-28334565  
CIN No. L74110TN1970PLC005865  
Email: [enquiries@kotharis.in](mailto:enquiries@kotharis.in)  
Website: [www.kotharis.in](http://www.kotharis.in)

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# KOTHARI INDUSTRIAL CORPORATION LIMITED

CIN No. L74110TN1970PLC005865

Regd. Office : "Kothari Buildings", 114, Mahatma Gandhi Salai, Nungambakkam, Chennai 600 034

Email: enquiries@kotharis.in | Website: www.kotharis.in | Tel.No.+91 044-28334565

## NOTICE TO MEMBERS

**NOTICE** is hereby given that the **55<sup>th</sup>** Annual General Meeting of the Company will be held at **11.00 a.m.** on **Friday, 26<sup>th</sup> September, 2025** through video conferencing / Other Audio-Visual Means ("VC/OAVM") to transact the following business:

### ORDINARY BUSINESS

1. Adoption of Audited Financial Statements of the Company for the financial Year ended 31<sup>st</sup> March, 2025 and the Reports of Board of Directors and Auditors thereon.
2. To appoint a director in the place of Mrs. T.A. Rajalaxmi (DIN: 08148628), who retires by rotation and being eligible offers herself for re-appointment.

### SPECIAL BUSINESS

3. To consider and approve re-appointment of Mr. Rafiq Ahmed (DIN-02861341) as Executive Chairman and Managing Director of the Company for a term of 3 years.

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modification or re-enactment thereof and in terms of Regulation 17(1C) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and in accordance with Articles of Association of the Company and subject to such other approvals as may be required, approval of the members of the company be and is hereby accorded to the re-appointment of Mr. Rafiq Ahmed (DIN-02861341) as the Executive Chairman and Managing Director of the company for a period of three years with effect from 28<sup>th</sup> September 2025 upon the terms and conditions including remuneration as set out in this Resolution as recommended by the Nomination

and Remuneration Committee and approved by the Board of Directors and sanctioned with authority to the Board of Directors of the Company to alter or vary the terms and conditions of the said re-appointment in such manner as the Board may deem fit but subject to compliance of applicable provisions of law at that point of time and whose directorship is not liable to retirement by rotation.

(A) Salary: Rs. 27,50,000/- (Rupees Twenty-Seven lakhs and Fifty Thousand) per month.

(B) He shall be entitled to the perquisites, benefits, and allowance as may be decided by Board and / or Nomination and Remuneration Committee from time to time;

(C) He shall be reimbursed for the expenses incurred for the benefit and development of the Company.

**RESOLVED FURTHER THAT** the remuneration payable to Mr. Rafiq Ahmed shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 and Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time."

**RESOLVED FURTHER THAT** where in any financial year during the currency of his tenure, the Company has no profits or its profits are inadequate, the remuneration payable to Mr. Rafiq Ahmed, Executive Chairman and Managing Director shall be treated as minimum remuneration subject to limits mentioned under Section II of Part II of Schedule V of the Companies Act, 2013 or such other limit as may be prescribed by the Government from time to time shall be paid.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient, to give effect to the aforesaid resolution."

4. To consider and approve appointment of Mr. Santosh Kumar Senapati (Practicing Company Secretary) as a Secretarial Auditor for a term of 5 years.

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 Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, read with Section 204 and all other applicable provisions of the Companies Act, 2013 (“the Act”) and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification or re-enactment thereof for the time being in force), M/s. Santosh Senapati & Co, Company Secretary in Practice, Chennai, (CoP. No-16782), be and is hereby appointed as the Secretarial Auditor of the Company for the term of five (5) consecutive years commencing from financial year 2025-2026 to financial year 2029-2030, at such remuneration as shall be fixed by the Board of Directors of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company and KMPs of the Company be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments, and writings as may be required to give effect to the aforesaid Resolution.”

##### 5. Approval for Alteration of the Object Clause of the Memorandum of Association of the Company:

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

**“RESOLVED THAT** pursuant to the provisions of Sections 4, 13 and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), and subject to the approval of the Registrar of Companies and/or any other regulatory authority, as may be necessary, consent of the members be and is hereby accorded to alter the Object Clause of the Memorandum of Association of the Company by adding the below mentioned objects to the existing Clause III(A) -

26. To carry on the business of collection, segregation, transportation, storage, processing, treatment, recycling, recovery, and disposal of all types of waste including but not limited to municipal solid waste, liquid waste, hazardous waste, e-waste, biomedical waste, industrial waste, construction & demolition debris, plastic waste, and organic waste; to establish, operate, and maintain waste treatment facilities, composting plants, waste-to-energy plants, and recycling units; to undertake consultancy, research, training, and awareness programs in waste management, environmental protection, and sustainable resource use; and to engage in carbon credit projects, circular economy initiatives, and allied environmental services in compliance with applicable laws and sustainability goals by way of taking up tenders from Government, Semi-Government, Public Sector, Private Sector, Non-Governmental Organizations, and other entities.
27. To undertake and provide integrated logistics, transportation, and facility management solutions to Government, Semi-Government, Public Sector, Private Sector, Non-Government Organizations, and other entities; to engage in freight forwarding, cargo handling, courier services, warehousing, inventory control, packaging, distribution, supply chain optimization, fleet management, customs clearance, and allied services; to provide facility management services including cleaning, housekeeping, security, landscaping, pest control, technical maintenance, repairs, manpower outsourcing, and event facility operations; and to develop, acquire, and operate infrastructure necessary for logistics and facility management activities, including technology platforms for operational optimization.
28. To carry on the business of manufacturing, processing, casting, rolling, forging, fabricating, assembling, trading, importing, exporting, and dealing in steel, iron, and all kinds of metals, alloys, and ferroalloys; to establish and operate steel plants, rolling mills, foundries, and fabrication units; to produce value-added steel products including coils, sheets, bars, rods, pipes, and structural components; to conduct research and development in metallurgy, alloy composition, manufacturing processes, product design, corrosion resistance,

## Kothari Industrial Corporation Limited

- and performance enhancement; and to provide consultancy, testing, and technology transfer services in steel and alloy manufacturing for industrial, infrastructure, automotive, defence, and other sectors.
29. To manufacture, assemble, test, trade, import, export, and deal in EVA (Ethylene Vinyl Acetate) encapsulated cells/ batteries, Energy Storage Systems, and battery components including lithium-ion, solid-state batteries, lead-acid batteries, and other advanced battery technologies; to engage in the design, development, and innovation of battery chemistry, cell manufacturing processes, battery management systems, charging infrastructure, and energy efficiency solutions; to establish recycling units for recovery of battery materials such as lithium, cobalt, and nickel; and to provide engineering, installation, maintenance, and after-sales support for EVA batteries and related products for mobility, industrial, and renewable energy applications.
30. To carry on the business of advertising, branding, marketing, public relations, communications, and media in all forms including print, television, radio, outdoor, digital, and social media; to conceptualize, design, produce, acquire, distribute, and sell advertising campaigns, marketing content, creative material, films, documentaries, and programs; to act as media planners, media buyers, and advertising consultants; to manage events, exhibitions, promotions, sponsorships, and corporate communication campaigns; to publish and operate newspapers, magazines, journals, websites, mobile applications, and digital platforms; and to provide market research, data analytics, influencer marketing, and content monetization services.
31. To manufacture, process, package, distribute, market, sell, import, export, and deal in all kinds of Fast Moving Consumer Goods (FMCG) including packaged foods, snacks, beverages, confectionery, bakery products, dairy products, frozen foods, personal care products, cosmetics, toiletries, cleaning agents, detergents, health and hygiene products, household consumables, and allied goods; to establish and operate manufacturing units, processing facilities, cold storage, and distribution networks; and to carry on wholesale, retail, and e-commerce trade of FMCG products through physical and digital channels, including franchising and brand licensing.
32. To establish, own, operate, franchise, lease, manage, and run restaurants, cafes, coffee shops, fast food outlets, food trucks, eateries, food courts, bakeries, confectioneries, sweet shops, catering services, canteens, and cloud kitchens; to prepare, package, serve, and deliver all types of food and beverages including alcoholic and non-alcoholic drinks; to provide takeaway, home delivery, banquet, and outdoor catering services; to import, export, and trade in raw materials, ingredients, and food products; and to engage in culinary training, food processing, and hospitality consultancy services.
33. To carry on the business of generating, producing, transmitting, distributing, trading, and supplying electricity and energy from all sources including solar, wind, hydro, coal, thermal, gas, biomass, tidal, nuclear, hydrogen, and waste-to-energy; to design, engineer, procure, construct, install, operate, maintain, and manage power plants, substations, transmission lines, distribution networks, micro grids, and energy storage systems; to engage in the manufacture, sale, and servicing of power generation equipment, components, and accessories; and to participate in renewable energy projects, carbon credit programs, and energy efficiency consultancy in compliance with environmental and regulatory requirements.
34. To manufacture, process, convert, print, trade, import, export, and deal in paper, paperboard, craft paper, specialty papers, corrugated boxes, cartons, packaging materials, containers, bags, wrappers, labels, and allied products; to establish and operate paper mills, corrugation units, printing and packaging plants; to design, customize, and supply packaging solutions for food, pharmaceutical, industrial, and consumer goods; to engage in recycling and production of eco-friendly packaging materials; and to provide printing, branding, and labeling services for commercial and industrial applications.
- RESOLVED FURTHER THAT** any one of the Directors of the Company or Company Secretary of the Company, be and is hereby severally authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto.”

## 6. Approval of Material Related Party Transaction for purchase of shares by way of further investment in Phoenix Kothari Footwear Limited:

To consider, and, if thought fit, approve the related party transaction(s) proposed to be entered into by the Company and to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to Section 179(3)(e), 186(2)(c), 188 and other applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, and based on the recommendation/approval of the Audit Committee and the Board of Directors of the Company, the consent of the Members be and is hereby accorded to purchase shares by way of further investment in Phoenix Kothari Footwear Limited for a total consideration not exceeding of Rs. 200,00,00,000/- (Rupees two hundred crores only) in one or more tranches as per the details set out in the explanatory statement to this resolution and on such terms and conditions as may be agreed between the Company and Phoenix Kothari Footwear Limited.

**RESOLVED FURTHER THAT** the Board be and is hereby severally authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts / arrangements / transactions, settle all questions, difficulties or doubts that may arise in this regard.”

## 7. To approve the issuance of 17,11,068 equity shares to non-promoter on a preferential basis

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

**“RESOLVED THAT** pursuant to the provisions of Section 23 and Section 62 read with Section 42 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “SEBI ICDR Regulations, 2018”), Securities & Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011 (“SEBI Takeover Regulations”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations”), the applicable rules, notifications, guidelines issued by various authorities including but not limited to the Government of India, the Securities and Exchange Board of India (“SEBI”), and other competent authorities including relevant Stock Exchanges and subject to the approvals, permissions, sanctions and consents as may be necessary from any regulatory and other appropriate authorities, as applicable, and subject to such conditions and modifications as may be prescribed by any of them while granting such approvals, permissions, sanctions and consents, which may be agreed to by the Board of Directors (hereinafter referred to as the “Board”, which term shall be deemed to include any committee which the Board has constituted or may constitute to exercise its powers, including the powers conferred by this resolution), the consent of the Shareholders of the Company be and is hereby accorded, by creation, offer, allot and issue, in one or more tranches, upto a maximum of 17,11,068 Equity Shares of face value of Rs. 5/- each at an issue price of Rs. 207/- per equity share (including a premium of Rs. 202/- per equity share) aggregating upto Rs. 35,41,91,076/- (Rupees Thirty-Five crores forty one lakhs Ninety-one thousand and Seventy-Six only), for cash consideration to the following non-promoter (hereinafter referred to as the “Proposed Allottees”):-

## Kothari Industrial Corporation Limited

Sr.	Name of Proposed Allottees	Category	Equity shares to be allotted	Consideration Amount (in ₹)
1	D Purushothaman	Non-Promoter	400000	82800000
2	Natarajan	Non-Promoter	280000	57960000
3	A R Foundations	Non-Promoter	250000	51750000
4	A Cletus	Non-Promoter	250000	51750000
5	Parimala Krishnamurthy	Non-Promoter	100000	20700000
6	Nirmala K	Non-Promoter	96618	19999926
7	R Suresh Kumar	Non-Promoter	50000	10350000
8	Banupriya Purshothaman	Non-Promoter	50000	10350000
9	Vijay Hundhuja	Non-Promoter	41000	8487000
10	V J Syndications	Non-Promoter	31000	6417000
11	D Sainaag	Non-Promoter	30000	6210000
12	Krishnagiri Narayanaswami Dhandapani	Non-Promoter	30000	6210000
13	Ajith Bohara	Non-Promoter	23000	4761000
14	Sivakumar	Non-Promoter	15000	3105000
15	Munisamy Pugazhendi	Non-Promoter	12600	2608200
16	Huma Khatoona Irshad	Non-Promoter	10000	2070000
17	Saniya Noorani	Non-Promoter	10000	2070000
18	Mahadevan Nithya Nirupama	Non-Promoter	9000	1863000
19	Sabah Fathima	Non-Promoter	5000	1035000
20	M Shabina Banu	Non-Promoter	5000	1035000

21	Rajwa Mecca	Non-Promoter	5000	1035000
22	Sabha Banu	Non-Promoter	5000	1035000
23	Jaikanth Aswin Dwaraknath	Non-Promoter	1850	382950
24	Mohammed Mubeen	Non-Promoter	1000	207000
<b>TOTAL</b>			<b>1711068</b>	<b>354191076</b>

**RESOLVED FURTHER THAT** in terms of the provisions of Chapter V of the SEBI ICDR Regulations, the relevant date for the Preferential Issue of the Equity Shares is August 26, 2025, being the date 30 days prior to the date of the General Meeting.

**RESOLVED FURTHER THAT** the equity shares to be allotted in terms of this resolution shall be made fully paid up at the time of allotment and shall rank pari-passu with the existing equity shares of the Company in all respects and be listed on BSE where the equity share of the Company are currently listed and the same shall be subject to lock-in for such period that may be prescribed under the SEBI ICDR Regulations, 2018.

**RESOLVED FURTHER THAT** pursuant to the provisions of the SEBI ICDR Regulations, 2018 the equity shares shall be allotted within a period of fifteen (15) days from the date of passing of this special resolution provided that where the allotment of equity shares is pending on account of pendency of any approvals for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of fifteen (15) days from the date of such approval or such other extended period as may be permitted under the applicable SEBI ICDR Regulations, 2018 as amended from time to time.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable for such purpose and for the purpose of giving effect to this resolution, including

without limitation (i) to vary, modify or alter any of the relevant terms and conditions, attached to the Equity Shares to be allotted to the Proposed Allottee for effecting any modifications, changes, variations, alterations, additions and/or deletions to the Preferential Allotment as may be required by any regulatory or other authorities or agencies involved in or concerned with the issue of the Equity Shares, (ii) making applications to the stock exchanges for obtaining in-principle approvals, (iii) listing of Equity Shares, (iv) filing requisite documents with the Ministry of Corporate Affairs ("MCA") and other regulatory authorities, (v) filing of requisite documents with the depositories, (vi) to resolve and settle any questions and difficulties that may arise in the Preferential Allotment, (vii) issue and allotment of the Equity Shares, and (viii) to take all other steps which may be incidental, consequential, relevant or ancillary in relation to the foregoing without being required to seek any further consent or approval of the members of the Company, and that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and the decision of the Board in relation to the foregoing shall be final and conclusive.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of its powers conferred upon it by these resolutions, as it may deem fit in its absolute discretion, to any Committee of the Board or to any one or more directors, officer(s) or authorized signatory (ies) including execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint Consultants, Professional Advisors, intermediaries and Legal Advisors to give effect to the aforesaid resolution and further to do all such acts, deeds, matters and things, as they may consider necessary, expedient or desirable for giving effect to this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to accept any modification(s), changes, variations, alterations, additions and/or deletions in the terms of issue of Equity Shares

as may be required by any regulatory or other authorities, subject to the provisions of the Act and the ICDR Regulations, without being required to seek any further consent or approval of the Members.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter(s) referred to or contemplated in any of the foregoing resolution be and are hereby approved, ratified and confirmed in all respects.

By Order of the Board of Directors  
**For KOTHARI INDUSTRIAL CORPORATION LIMITED**

**J RAFIQ AHMED**  
**Executive Chairman &**  
**Managing Director**  
**DIN : 02861341**

**Place : Chennai**  
**Date : 26.08.2025**

**Important Notes:-**

1. The Ministry of Corporate Affairs ("MCA") has vide its circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid19", circular no. 20/2020 dated May 5, 2020, General Circular no. 02/2021 dated January 13, 2021, General Circular No. 19/2021 December 8, 2021, General Circular No. 21/2021 December 14, 2021, General Circular no. 02/2022 dated May 5, 2022, General Circular no. 10/2022 dated December 28, 2022 and General Circular no. 09/2023 dated September 25, 2023 and General Circular No. 09/2024 dated September 19, 2024 (collectively referred to as "MCA Circulars"), in relation to "Clarification on holding of annual general meeting (AGM) and EGM through video conferencing (VC) or other audio visual means (OAVM)" (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") read with SEBI Circular No.: SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 and SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023 and SEBI Circular No.: SEBI/HO/CFD/CFD-

## Kothari Industrial Corporation Limited

PoD-2/P/CIR/2024/133 dated October 3, 2024 and (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue and provided relaxation on sending hard copy of annual report to shareholders. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the members of the Company is being held through VC / OAVM. The Registered Office of the Company shall be deemed to be the venue for the AGM.

2. The Explanatory Statement pursuant to Section 102 (1) of the Act in respect of the business under Item Nos. 3 to 7 set out above and the relevant details in respect of the Directors seeking re-appointment at this AGM as required under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('Secretarial Standard') are annexed hereto.
3. Central Depository Services (India) Limited (CDSL) will be providing facility for voting through remote e-Voting, for participation in the AGM through VC / OAVM Facility and e-Voting during the AGM.
4. Members may join the 55<sup>th</sup> AGM through VC/OAVM Facility by following the procedure as mentioned below which shall be kept open for the Members from 10.45 a.m. IST i.e., 15 minutes before the time scheduled to start the 55<sup>th</sup> AGM and the Company may close the window for joining the VC/OAVM Facility 15 minutes after the scheduled time to start the 55<sup>th</sup> AGM. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
5. Members may note that the VC /OAVM Facility, provided by CDSL, allows participation of at least 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee and Auditors can attend the AGM without any restriction on account of the first-come first-served principle.
6. In compliance with the aforesaid MCA Circulars and SEBI Circulars, the notice of the AGM along with the Annual Report 2024-2025 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2024-2025 will also be available on the Company's website [www.kotharis.in](http://www.kotharis.in), websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com), and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com). The member holding shares in physical form and who have not registered their email id may register their email id by sending a signed request letter mentioning name, folio number, complete address, self-attested copy of PAN, self-attested copy of Driving Licence/ Passport/Bank Statement/Aadhar, supporting the registered address of the member, copy of the share certificate (front & back) and the email id to be registered to [yuvraj@integratedindia.in](mailto:yuvraj@integratedindia.in). For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.
7. In terms of the MCA and SEBI Circulars since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, Members will not be entitled to appoint Proxy(ies) to attend and vote. However, in pursuance of section 112 and section 113 of the Companies Act, 2013, representatives of the members may be appointed for the purpose of voting through remote e-voting or for participation and voting in the meeting held through VC.
8. The Register of the Members and Share Transfer Books of the Company shall remain closed from 20.09.2025 to 26.09.2025 (Both days inclusive) for the purpose of Annual General Meeting
9. Attendance of members through VC shall be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013.
10. The relevant documents referred to in the Notice are available for inspection by the members at the Registered Office of the Company during business hours on any working day (i.e. except Sundays & Public Holidays) between 10.00 A.M. IST to 5.00 P.M. IST up to the date of the Annual General Meeting.
11. The register of directors and key managerial personnel (KMP) and their shareholding, maintained under Section 170 of the Act, and the register of contracts or arrangements in which the directors are interested, maintained under Section 189 of the

- Act, will be available for inspection by the members at the Registered Office of the Company.
12. Under Section 125(1) of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. Since the Company has not declared any dividend from the year 1995 onwards, the necessity of transferring the unpaid or unclaimed dividend to IEPF does not arise.
  13. Pursuant to Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 25<sup>th</sup> January 2022, any request for effecting transfer, transmission or transposition of shares will be processed only in demat form. Therefore, the Company advises shareholders holding physical shares to take steps for dematerializing your shareholding in the Company.
  14. Members holding shares in physical form are requested to register their email id for receiving an electronic copy of the Annual Report and also notify immediately any change in their address/E-mail address to the Company/its Share Transfer Agents.
  15. Members holding shares in electronic form are requested to advise change of address/E-mail address to their Depository Participants. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts, are used by the Company for the payment of dividends in future if any. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.
  16. Corporate members intending to make their authorised representatives to attend the Meeting through VC are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting held through VC.
  17. The Notice of the Annual General Meeting and the Annual Report will be available on the Company's website [www.kotharis.in](http://www.kotharis.in). The members who wish to inspect any of the relevant documents referred to in the accompanying notice may send the request to the email id of the Company i.e. [companysecretary@kotharis.in](mailto:companysecretary@kotharis.in). till 5.00 pm, 25<sup>th</sup> September, 2025 and Company will provide such documents through email.
  18. Pursuant to Section 72 of the Companies Act, 2013 and the Rules made there under the Members holding shares in single name may, at any time, nominate in form SH-13, any person as his/her nominee to whom the securities shall vest in the event of his/ her death. Nomination would help the nominees to get the shares transmitted in their favor without any hassles. Members desirous of making any cancellation/ variation in the said nomination can do so in form SH-14. The nomination forms can be downloaded from the Company's website [www.kotharis.in](http://www.kotharis.in).
  19. The Securities and Exchange Board of India (SEBI) vide its circular dated 20<sup>th</sup> April, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account Details for all securities holders. Members holding shares in physical form are therefore, requested to submit their PAN and Bank Account Details to Company's Share Transfer Agents by sending a duly signed letter along with a self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member printed on it. In alternative Members are requested to submit a copy of bank passbook / statement attested by the bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective Depository Participant.
  20. The instructions to shareholders for remote e-voting and e-voting during AGM and joining meeting through VC/OAVM are as under:
    - (i) The voting period begins on 23<sup>rd</sup> September 2025 at 09.00 a.m. and ends on 25<sup>th</sup> September 2025 at 05.00 p.m. During this period shareholders 'of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 19<sup>th</sup> September 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

## Kothari Industrial Corporation Limited

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where</li> </ol>

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</p>

	<p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

### (v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- (i) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on Shareholders.
- (iii) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(vi) If you are a first-time user follow the steps given below:

(vii)

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	<p>Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/ RTA/Depository Participant are requested to use the first two letters of their name and the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name of the CAPITAL letters. Example, if your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. (Sl. No. mentioned in your address label can be used as Sequence No. for this purpose)</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<ul style="list-style-type: none"> <li>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</li> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name **“KOTHARI INDUSTRIAL CORPORATION LIMITED”** on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz: [santoshsenapati1989@gmail.com](mailto:santoshsenapati1989@gmail.com) & [enquiries@kotharis.in](mailto:enquiries@kotharis.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**19. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 03 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [companysecretary@kotharis.in](mailto:companysecretary@kotharis.in). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 03 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at [companysecretary@kotharis.in](mailto:companysecretary@kotharis.in). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**20. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. **For Physical shareholders** - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [company/rta](mailto:company/rta) email id viz: [companysecretary@kotharis.in](mailto:companysecretary@kotharis.in)/[yuvraj@integratedindia.in](mailto:yuvraj@integratedindia.in)
2. **For demat shareholders** - Please update your email id & mobile no. with your respective depository Participant (dP).
3. **For individual demat shareholders** - Please update your email id & mobile no. with your respective depository Participant (dP) which is mandatory while e-Voting & joining virtual meetings through depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill

Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**General:**

- a) After dispatch of the notice, any person who acquires shares of the Company and becomes member of the Company as on the cut-off date i.e., Friday, **19<sup>th</sup> September 2025** may obtain the login ID and password by sending an email to [yuvraj@integratedindia.in](mailto:yuvraj@integratedindia.in) or [companysecretary@kotharis.in](mailto:companysecretary@kotharis.in) or [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) by mentioning their Folio No./DP ID and Client ID No. However, if you are already registered with CDSL for remote e-voting, then you can use your existing user ID and password for casting your vote.
- b) The voting rights of a member shall be in proportion to his shares in the paid-up equity share capital of the Company as on the cut-off date of i.e., Friday, **19<sup>th</sup> September 2025**.
- c) M/s. Santosh Kumar Senapati & Co., Practicing Company Secretary (COP Number: 16782) has been appointed as the Scrutinizer to scrutinize e-voting in a fair and transparent manner and he has communicated his willingness to be appointed.
- d) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company.

The Scrutinizer shall submit a consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, not later than 2 working days from the conclusion of the AGM to the Chairman of the Annual General Meeting. The Chairman, or any other person authorized by the Chairman, shall declare the result of the voting forthwith. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.kotharis.in](http://www.kotharis.in) and website of CDSL <http://www.evotingindia.com> and also forward the same to Bombay Stock Exchange Limited, Mumbai simultaneously, where the Company's shares are listed.

- e) Subject to receipt of the requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the meeting, i.e. Friday, September 26, 2025.
- f) The profile of Director seeking reappointment forms an integral part of the Notice. The Director have furnished the requisite consent and declarations.
- g) Since the AGM shall be conducted through VC / OAVM, the route map, Proxy Form and Attendance Slip are not annexed to this Notice.

By Order of the Board of Directors  
**For KOTHARI INDUSTRIAL CORPORATION LIMITED**

**J RAFIQ AHMED**  
**Executive Chairman &**  
**Managing Director**  
**DIN : 02861341**

**Place : Chennai**  
**Date : 26.08.2025**

## Kothari Industrial Corporation Limited

### **Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, Secretarial Standard - 2 on General Meetings and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

#### **Item No. 3**

#### **TO CONSIDER AND APPROVE RE-APPOINTMENT OF MR. RAFIQ AHMED (DIN-02861341) AS EXECUTIVE CHAIRMAN AND MANAGING DIRECTOR OF THE COMPANY FOR A TERM OF 3 YEARS.**

Rafiq Ahmed has good experience in Fertilizers business, and he is the sole proprietor of M/s. Gemini Fertilizers. He has a rich experience in the field of Fertilizers business. He has Board broad experience in various business divisions and industries and an excellent understanding of the overall operations of his companies. Kothari Industrial Corporation Limited (KICL) today under his leadership stands with a vision of expanding across the globe in various ventures.

The members at their Annual General Meeting of the Company approved the re-appointment of Mr. Rafiq Ahmed w.e.f 28<sup>th</sup> September 2022 for a period of 3 years and the current term of Mr. Rafiq Ahmed as Executive Chairman and Managing Director ends on 27<sup>th</sup> September 2025. The Board of Directors, on the recommendation of Nomination and Remuneration Committee at its meeting held on 26<sup>th</sup> August 2025 recommended the re-appointment of Mr. Rafiq Ahmed as Executive Chairman and Managing Director and Whole Time Key Managerial Person (KMP) of the company for a period of three years with effect from 28<sup>th</sup> September 2025 subject to approval of the members of the Company at the ensuing AGM of the Company.

Considering that the Managing Director role is key in stabilizing the Company during the period of operational and financial challenges, his strategic direction, hands on leadership, and long-term vision have been critical in maintaining business continuity and preparing the Company for future growth. Recognizing his role in leading operational restructuring, improving efficiencies, and driving future profitability, and based on the recommendation of NRC Committee, the Board recommends the remuneration of 2750000/- per month along with the perquisites for a period of three years and there being inadequacy or absence of profits in any financial year during the currency of the tenure of the Managing Director the above remuneration, excluding the perquisites mentioned under Section IV of Part II of Schedule V of Companies Act, 2013, shall be treated as minimum remuneration which exceeds the limits mentioned under Section II of Part II of Schedule V of the Companies Act, 2013. The Nomination & Remuneration Committee and the Board are satisfied about his positive attributes, quality and willingness to shoulder the responsibilities and consider him to be a good resource to the company based on his experience, qualification, and business background. The Board of Directors also noted the contribution made by Mr. Rafiq Ahmed, during his tenure as the Executive Chairman and Managing Director is extraordinary. Considering the profile of Mr. Rafiq Ahmed the remuneration proposed is in line with comparable remuneration levels in the industry and also in line with remuneration policy. The Company has not committed any default in payment of dues to any Banks.

#### **Statement pursuant to Section II of Part II of Schedule V of the Companies Act, 2013:**

General Information		
1	Nature of industry	Kothari Industrial Corporation Limited is into fertilizers, footwears, Drones and restaurants business
2	Date or expected date of commencement of commercial production	The Company commenced its commercial production in the year from 1 <sup>st</sup> July 1970.
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	NA

4	Financial performance based on given indicators	Particulars	FY 2024-25 (In Lakhs)	FY 2023-24 (In Lakhs)	FY 2022-23 (In Lakhs)
		Total Income	8760.23	7681.02	1032.22
		Profit/(loss) before interest, depreciation and tax	(1729.59)	4057.33	(598.66)
		Net Profit/(loss) after tax	(1616.82)	3169.32	(1744.53)
		Net worth	15866.06	(1408.37)	(6917.56)
5	Foreign investments or collaborations, if any	<p>Kothari Industrial Corporation Limited entered into a Letter of Intent with Sharjah Environment Company LLC, (Beeah Tandeef International Investment Limited) a company registered and existing under relevant laws of Sharjah, UAE on 27<sup>th</sup> March, 2025 to collaborate and form a consortium to explore and jointly undertake business opportunities in Tamil Nadu, especially in the fields of waste management, waste to energy and related sectors.</p> <p>KICL Signed an agreement with French Group Royer SA to Manufacture, Distribute and Retail World famous Kickers Brand.</p>			
Information about the appointee					
6	Background details	Details are provided in the Explanatory Statement under item No. 3.			
7	Past remuneration	Rs. 2750000/- per month, Perquisites, benefits, and allowance and reimbursement			
8	Recognition or Awards	None			
9	Job profile and his suitability	<p>Kothari Industrial Corporation Limited is engaged in diversified business activities related to fertilizers, footwears, Drones and restaurants business. The Managing Director is entrusted with full-time responsibility for overseeing the Company's day-to-day operations, executing strategic decisions, ensuring regulatory compliance, managing stakeholder interests, and driving long-term business growth. Mr. Rafiq Ahmed reappointed as the Managing Director of the Company on 28<sup>th</sup> September 2022. Considering his dedicated work, and business acumen background, he is having right capacity to steer the company. During his tenure he has proven his expertise in business planning and strategic decision making. In the opinion of Board, he has the requisite leadership qualities to head the Company as the Managing Director. As he has vast knowledge in Finance, Administration, Sales, Accounts, and Marketing, he is suitable to occupy this position Since taking on this role, his strategic vision and hands-on leadership and family background, have been instrumental in ensuring business continuity and positioning the Company for sustained future growth. Under his leadership, the Company has diversified into various businesses, and its turnover has been witnessing consistent growth.</p>			
10	Remuneration proposed	As set out in the Resolution.			

## Kothari Industrial Corporation Limited

11	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Considering the profile of Mr. Rafiq Ahmed, the remuneration proposed is in line with comparable remuneration levels in the industry. Factors such as cyclical market conditions, regulatory challenges, and dependence on agro-climatic conditions make the leadership role especially demanding in this sector. Depending on the scope of responsibilities, business complexity, financial performance and prevailing industry standards, the remuneration offered to the Managing Director is considered appropriate, competitive, and aligned with market practices for similarly placed roles in public listed companies of comparable size and complexity.
12	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	NIL
<b>Other Information</b>		
13	Reasons of loss or inadequate profits	Loss during the year were primarily due to high raw material costs, overheads, regulatory delays in fertilizer subsidy realization, increased investment in new drone and footwear divisions, Restaurant and global market fluctuations. Opening new restaurants requires heavy upfront expenditure on leasehold improvements, interior setup, licensing, and manpower. These costs increase depreciation and operating expenses in the short term. The losses are temporary in nature and are expected to normalize as new product lines stabilize and market conditions improve. However, the management is confident that with stabilization of operations, improved market conditions, and completion of ongoing projects, the financial performance of the Company will improve in the coming years.
14	Steps taken or proposed to be taken for improvement	The Company is taking constant steps to stabilize the profits of the company. The Company continues to explore the possibilities of expansion and will make the necessary investments when attractive opportunities arise. The company is exploring other significant business opportunities as part of diversification scheme which would generate financial outlay and the profitability of the company in the coming years. Company has opened various footwear showrooms in India and Qatar. Kothari Industrial Corporation Limited entered into a Letter of Intent with Sharjah Environment Company LLC, (Beeah Tandeef International Investment Limited) a company registered and existing under relevant laws of Sharjah, UAE on 27 <sup>th</sup> March, 2025 to collaborate and form a consortium to explore and jointly undertake business opportunities in Tamil Nadu, especially in the fields of waste management, waste to energy and related sectors. KICL Signed an agreement with French Group Royer SA to Manufacture, Distribute and Retail World famous Kickers Brand. The Agreement is for 30 years covering India, Bangladesh, Sri Lanka, Nepal, Bhutan, Maldives, Qatar, UAE and KSA. KICL has acquired Parveen Roadways, a sole proprietorship founded in 1994 for Rs 24.03 Crores. The entity operates in the logistics sector, specializing in railway related services. Its owns a fleet of over 100 vehicles. KICL is continuously opening various restaurants in India which will increase revenue and profit. These initiatives are expected to contribute to revenue diversification and improved margin realization over the medium to long term.
15	Expected increase in productivity and profits in measurable terms	The Company is aiming to increase the turnover of the company and become more profitable. At this stage, it is not feasible to provide a reliable quantification of the expected increase in productivity and profits in measurable terms.

The disclosure under Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is annexed with the Notice.

Except Mr. Rafiq Ahmed, none of the Directors and Key Managerial Personnel of the Company and /or their relatives is deemed to be concerned or interested (financially or otherwise) in the resolution.

The Board accordingly recommends the Special resolution set out at Item No. 3 of the accompanying Notice for approval of the Members.

#### **Item No. 4**

#### **TO CONSIDER AND APPROVE APPOINTMENT OF M/S. SANTOSH SENAPATI & CO (PRACTICING COMPANY SECRETARIES) AS A SECRETARIAL AUDITOR FOR A TERM OF 5 YEARS**

In terms of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations) read with SEBI notification dated December 12, 2024, and other applicable provisions of the Companies Act, 2013 the Company is required to appoint a peer reviewed firm as secretarial auditors for a period of 5 years commencing FY 2025-26, to conduct secretarial Audit of the Company in terms of Section 204 and other applicable provisions of the Companies Act, 2013. The Board of Directors of the Company at its meeting held on 30<sup>th</sup> May 2025, considered and reviewed the appointment of M/s. Santosh Senapati & Co, Company Secretary in Practice, Chennai (CoP No:16782) as the secretarial auditor of the Company for the period of five years commencing from the conclusion of the 55<sup>th</sup> Annual General Meeting until the conclusion of the 60<sup>th</sup> Annual General Meeting for conducting the secretarial audit of the Company for the period beginning from Financial Year 2025-2026 till FY 2029-2030.

**Credentials of the Auditors :** The firm is primarily engaged in providing professional services in the field of Corporate Laws, SEBI Regulations, FEMA Regulations including carrying out Secretarial Audits, Due Diligence Audits and Compliance Audits for various reputed companies. The firm is Peer Reviewed by the Institute of the Company Secretaries of India.

The terms and conditions of the appointment of the Secretarial Auditors & the proposed fees are as follows:

**(i) Term of Appointment:** Five consecutive years commencing from FY 2025 - 2026 to FY 2029 – 2030

**(ii) Proposed Fees :** Remuneration for Secretarial Audit is 1,00,000/- (Rupees One Lakhs only) plus applicable taxes and reimbursement of actual out of pocket expenses incurred by them in connection with the Secretarial audit of the Company for the financial year 2025 - 26. The remuneration payable to the Secretarial Auditors for the remaining tenure of the proposed re-appointment will be subsequently determined by the Board as per the recommendations of the Audit Committee from year to year.

The proposed fees is based on expertise, industry experience, time and efforts required to be put in by them, which is in line with the industry benchmarks. The fees for services in the nature of any allowable certifications and other professional work will be in addition to the audit fee as above and will be determined by the Board in consultation with the Auditors.

None of the Directors, Key Managerial Personnel of the Company and their relatives, are concerned or interested (financially or otherwise) in the Resolution.

The Board recommends the Ordinary Resolution set forth in Item No. 4 of the notice as an Ordinary Resolution for the approval of the members.

#### **Item No. 5**

#### **TO CONSIDER AND APPROVE ALTERATION OF THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY**

It is proposed to include certain new business activities in the Main objects of the Company partially to align the same with the existing business activities for future growth of the company.

Our present Executive Chairman and Managing Director, Mr. Rafiq Ahmed, ever since assuming charge, has been proactively steering the Company towards sustainable growth and value creation. Recognising the need to adapt to changing market dynamics and to build a

diversified portfolio of revenue streams, he has initiated a comprehensive review of potential high-growth sectors. After careful market analysis, evaluation of industry trends, and assessment of the Company's strengths and resources, Mr. Ahmed has identified multiple promising avenues for expansion. These include: Waste Management, Logistics and Facility Management, Steel Manufacturing and Alloy Research & Development, EVA Battery Manufacturing, Advertising and Media Business, Fast-Moving Consumer Goods (FMCG), Restaurant and Food Services, Energy Generation (Solar, Wind, Coal, etc.), and Paper and Packaging Manufacturing.

The Board is of the view that entering into these sectors will enable the Company to diversify risk, tap into emerging opportunities, and leverage synergies across different lines of business. This strategic diversification is aimed at ensuring long-term stability, increasing shareholder value, and positioning the Company as a multi-sector enterprise with a strong presence in both traditional and future-oriented industries.

Pursuant to Sections 4 and 13 of the Companies Act, 2013, any alteration of the Object Clause requires the approval of Members by way of a Special Resolution and subsequent approval by the Registrar of Companies. The Board at its meeting held on 26<sup>th</sup> August, 2025 has approved the change in Object Clause of the Company to be incorporated in the Memorandum of Association of the company and the Board now seeks Members' approval for the same at the ensuing AGM of the Company.

A copy of the proposed Memorandum of Association of the Company is available for inspection during specified business hours i.e. between 10:00 am. to 6:30 pm. at the Registered of the company.

None of the Directors and Key Managerial Personnel of the Company and /or their relatives is deemed to be concerned or interested (financially or otherwise) in the resolution. The Board accordingly recommends the Special resolution set out at Item No. 5 of the accompanying Notice for approval of the Members.

### Item No. 6

#### **APPROVAL OF MATERIAL RELATED PARTY TRANSACTION FOR PURCHASE OF SHARES BY WAY OF FURTHER INVESTMENT IN PHOENIX KOTHARI FOOTWEAR LIMITED:**

##### **Background, details and benefits of the transaction:**

Kothari Industrial Corporation Limited (KICL) will do strategic investment in Phoenix Kothari Footwear Limited (PKFL), a premier contract manufacturer catering to global footwear giants like CROCS and Adidas. This investment not only strengthens KICL's position in the international footwear supply chain but also fuels PKFL's expansion, technological advancements, and pursuit of new brand partnerships. With a strong commitment to quality, sustainability, and innovation, PKFL is already a trusted manufacturer, and this collaboration will further solidify its standing as a key player in the industry.

PKFL has built an impressive reputation in high-quality footwear manufacturing by leveraging cutting edge production techniques, sustainable materials, and strict adherence to global standards. Besides serving CROCS and Adidas, PKFL is in advanced talks with several other international brands, poised to expand its footprint. This investment allows both KICL and PKFL to capitalize on emerging opportunities, drive efficiency, and set new benchmarks in contract footwear manufacturing. Together, they are well positioned to reshape the global footwear industry with their shared vision of growth, innovation, and operational excellence.

Pursuant to the provisions of Regulation 23 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") approval of the Members by way of an ordinary resolution is required for all material related party transactions. For this purpose, a related party transaction will be considered 'material' if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeds Rs. 1,000 Crore or 10% of the annual consolidated turnover of the listed company as per the last audited financial statements of the listed company, whichever is lower. The materiality threshold for the Company for this purpose shall be 10% of the annual

consolidated turnover of the Company as per the last audited financial statements of FY 2024-25 for the reason of which shareholder's approval is being sought.

Pursuant to the resolution passed by the shareholders of the Company in the Extraordinary General Meeting held on 14.03.2025, approving the Related Party Transaction for acquisition of 30% equity stake held by Dr. J. Rafiq Ahmed in Phoenix Kothari Footwear Limited (PKFL), accordingly the Company has invested in PKFL. "The Company is willing to purchase further shares by way of further investment in Phoenix Kothari Footwear Limited for a total consideration of upto Rs. 200,00,00,000/- (Rupees Two hundred crores only) in one or more tranches which is well within the limits as prescribed under Section 179(3)(e), 186(2)(c) Companies Act, 2013, as per the details set out in the explanatory statement to this resolution and on such terms and conditions as may be agreed between the Company and Phoenix Kothari Footwear Limited.

As per the Regulation 23 of SEBI LODR 2015, all the Related Party Transactions have to be examined by

the Audit Committee and recommended to the Board of Directors and is further accorded with the consent of the members of the company. The Audit Committee has, on the basis of relevant details provided by the management, as required by the law, at its meeting held on 26.08.2025 reviewed and approved the said transaction(s), subject to approval of the Members, while noting that such transaction shall be on arms' length basis and is well within the limits prescribed by the Companies Act, 2013 for the purpose of investment.

Your Board of Directors considered the same and recommends passing of the resolutions contained in Item No. 6 of this Notice. Information required under Regulation 23 of SEBI Listing Regulations read with SEBI Circular dated November 22, 2021 and as per SEBI master circular dated November 11, 2024 is provided herein below:

**Resolution Item No. 6: Approval of Material Related Party Transaction for purchase of shares by way of further investment in Phoenix Kothari Footwear Limited.**

Sl.No.	Particulars	Details
1	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Mr. J. Rafiq Ahmed, Executive Chairman and Managing Director of Kothari Industrial Corporation Limited holding directorship and shareholding interest in Phoenix Kothari Footwear Limited.
2	Type, tenure, material terms and particulars	Kothari Industrial Corporation Limited will purchase shares by way of further investment in Phoenix Kothari Footwear Limited. The Company proposes to invest up to an aggregate amount not exceeding ₹200,00,00,000 (Rupees Two Hundred Crores only) by way of subscription/acquisition of further equity shares of PKFL in one or more tranches. Investment to be made at such price as may be determined in accordance with applicable laws and mutually agreed between the parties. The equity shares so acquired shall rank pari passu with the existing equity shares of PKFL. The proposed investment will increase KICL's equity in PKFL. No special rights, preference, or management control is envisaged other than proportionate shareholding rights arising from the equity investment.
3	Value of the transaction	Upto Rs. 200,00,00,000/- (Rupees Two hundred crores only) in one or more tranches.

## Kothari Industrial Corporation Limited

4	The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the subsidiary's annual turnover on a standalone basis shall be additionally provided)	Annual consolidated turnover of KICL for the FY 2024-2025 is Rs. 86.63 crores.  Proposed value of the transaction is upto Rs. 200 crores in one or more tranches.  Percentage: 2310.60%
5	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	<b>A) details of the source of funds in connection with the proposed transaction:</b> The proposed investment in Phoenix Kothari Footwear Limited (PKFL) will be funded out of the proceeds to be raised by the Company through preferential issue of securities, pursuant to the shareholders' approval being sought. The entire amount so raised will be utilized for making the investment. Any additional funds required for subsequent tranches of the investment shall be arranged by the management, as and when required, through preferential issue or any other mode as may be permissible under applicable law.  <b>b) where any financial indebtedness is incurred to make or give loans, interoperate deposits, advances or investments:</b> Not Applicable <ul style="list-style-type: none"> <li>• nature of indebtedness;</li> <li>• cost of funds; and</li> <li>• tenure;</li> </ul> <b>c) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and:</b> Not Applicable <b>d) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT:</b> The funds will be utilized by Phoenix Kothari Footwear Limited (PKFL) towards its future business expansion.
6	Justification as to why the RPT is in the interest of the listed entity	The proposed investment in PKFL will strengthen KICL's presence in the global footwear supply chain, create long-term value through higher revenues and profitability, and provide operational synergies. The transaction is at arm's length, aligns with the Company's growth strategy, and is therefore in the best interest of the Company and its shareholders.
7	Any valuation or other external report relied upon by the listed entity in relation to the transactions	The Company has not relied upon any external valuation report for the proposed transaction, as the equity shares of Phoenix Kothari Footwear Limited will be issued to existing shareholders (including KICL) by way of a rights issue at face value, in compliance with applicable provisions of the Companies Act, 2013.
8	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis;	Turnover of M/s. Phoenix Kothari footwear Limited for the FY 2024-2025- Nil  Value of proposed RTP is upto Rs.200 crores in one or more tranches. Percentage: <b>Not Applicable</b> , since the counter-party has no turnover in FY 2024-25.
9	Any other information that may be relevant	No

None of the Directors and Key Managerial Personnel of the Company and /or their relatives is deemed to be concerned or interested (financially or otherwise) in the resolution. The Board accordingly recommends the Ordinary resolution set out at Item No. 6 of the accompanying Notice for approval of the Members.

## Item No. 7

### **TO APPROVE THE ISSUANCE OF 17,11,068 EQUITY SHARES TO NON-PROMOTER ON A PREFERENTIAL BASIS**

The Board has resolved to raise funds upto Rs. 35,41,91,076 by way of offer, allot, and issue upto 17,11,068 Equity Shares of face value of Rs. 5/- each at an issue price of Rs. 207 per equity share (including a premium of Rs. 202 per equity share) on preferential basis, to Non-promoters in accordance with the provisions of SEBI (Issue of Capital and Disclosures Requirements) Regulations, 2018, as amended (“**Preferential Allotment**”)

#### **The information pertaining to the proposed allotment of equity share is stated below:**

- a. Objects of the Issue:** The entire amount will be utilized to invest in shares of Phoenix Kothari Footwear Limited (PKFL). PKFL is into manufacturing footwear business. The company has already invested in PKFL and proposing to invest more into the PKFL to increase its stake.
- b. Maximum number of specified securities to be issued:** It is proposed to offer, allot and issue up to 17,11,068 Equity shares to be allotted on preferential basis.
- c. Intent of the Promoters, Directors or Key Managerial Personnel of the Company to subscribe to the offer:** None of the Promoters, Directors or Key Managerial Personnel of the Company intends to subscribe to any of the Equity Shares proposed to be issued under the proposed Preferential Issue.
- d. Pricing of the Issue:**

The Equity Shares of the Company are listed at the BSE Limited (“BSE”). The equity shares are infrequently traded on BSE. Please note, where the equity shares are infrequently traded, the price determined by the Issuer shall take into account valuation parameters as prescribed under Regulation 165 of the SEBI ICDR Regulations, 2018.

Being infrequently traded shares, the company has obtained Valuation report dated August 26, 2025 from Mukesh Kumar Jain (SFA) registered with IBBI having Registration Number IBBI/RV/03/2019/12285, Independent Registered valuer having office at C-203, Edge Commercial Opp. Maruthi Suzuki Arena, Vidhansabha Road, Mova, Raipur, Chhatisgarh-492007.

As per the said report, the floor price is Rs. 206.29/- Hence, based on the above, the Board of Directors of the Company has decided the issue price of equity shares preferential basis shall be at Rs. 207/- each. The said valuation report is available at the Company website link such as [www.kotharis.in](http://www.kotharis.in)

Method of determination of price as per the Articles of Association of the Company – The Articles of Association of the Company allowed to determine the price of the shares as per valuation report issued by a registered valuer.

- e. Relevant Date:** The ‘Relevant Date’ for the purpose of determining the issue price August 26, 2025, being the date which is 30 (Thirty) days prior to the date on which the meeting of shareholders is to be held to consider the proposed issue.
- f. Proposed time within which allotment shall be completed:** As required under the SEBI (ICDR) Regulations, 2018, the Company shall complete the allotment of Equity Shares on or before the expiry of 15 days from the date of passing of this resolution by the shareholders granting consent for issue, provided that in case the allotment is pending on account of pendency of any approval for such allotment by any regulatory authority or the central government, then the allotment shall be completed within 15 days from the date of receipt of such approval.
- g. Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and / or who ultimately control the proposed allottees:** The names of the proposed allottees and the identity of the natural persons who are the ultimate beneficial owners of the Equity Shares :-

## Kothari Industrial Corporation Limited

Sr.	Name of Proposed Allottees	Ultimate beneficial owners
1	D Purushothaman	NA
2	Natarajan	NA
3	A R Foundations	P Amarnath Reddy and Swetha Amarnath Reddy
4	A Cletus	NA
5	Parimala Krishnamurthy	NA
6	Nirmala K	NA
7	R Suresh Kumar	NA
8	Banupriya Purshothaman	NA
9	Vijay Hundhuja	NA
10	V J Syndications	V Jagannathan, Vasanthi Jaganathan and Udhav Satish

Sr.	Name of Proposed Allottees	Ultimate beneficial owners
11	D Sainaag	NA
12	Krishnagiri Narayanaswami Dhandapani	NA
13	Ajith Bohara	NA
14	Sivakumar	NA
15	Munisamy Pugazhendi	NA
16	Huma Khatoona Irshad	NA
17	Saniya Noorani	NA
18	Mahadevan Nithya Nirupama	NA
19	Sabah Fathima	NA
20	M Shabina Banu	NA
21	Rajwa Mecca	NA
22	Sabhia Banu	NA
23	Jaikanth Aswin Dwaraknath	NA
24	Mohammed Mubeen	NA

### h. Percentage of Post issue Preferential Issue Capital of the allottee(s) post the preferential issues:

Sr.	Name of Proposed Allottees	No of shares	Pre holding	pre %age	Post holding	post %age
1	D Purushothaman	400000	6841	0.01	406841	0.37
2	Natarajan	280000	Nil	0.00	280000	0.26
3	A R Foundations	250000	Nil	0.00	250000	0.23
4	A Cletus	250000	667691	0.62	917691	0.85
5	Parimala Krishnamurthy	100000	240000	0.22	340000	0.31
6	Nirmala K	96618	Nil	0.00	96618	0.09
7	R Suresh Kumar	50000	240	0.00	50240	0.05
8	Banupriya Purshothaman	50000	Nil	0.00	50000	0.05
9	Vijay Hundhuja	41000	80000	0.07	121000	0.11
10	V J Syndications	31000	Nil	0.00	31000	0.03
11	D Sainaag	30000	Nil	0.00	30000	0.03
12	Krishnagiri Narayanaswami Dhandapani	30000	Nil	0.00	30000	0.03
13	Ajith Bohara	23000	549000	0.51	572000	0.53
14	Sivakumar	15000	45000	0.04	60000	0.06
15	Munisamy Pugazhendi	12600	Nil	0.00	12600	0.01
16	Huma Khatoona Irshad	10000	350	0.00	10350	0.01
17	Saniya Noorani	10000	100	0.00	10100	0.01
18	Mahadevan Nithya Nirupama	9000	Nil	0.00	9000	0.01
19	Sabah Fathima	5000	Nil	0.00	5000	0.00
20	M Shabina Banu	5000	100	0.00	5100	0.00
21	Rajwa Mecca	5000	Nil	0.00	5000	0.00
22	Sabhia Banu	5000	Nil	0.00	5000	0.00
23	Jaikanth Aswin Dwaraknath	1850	Nil	0.00	1850	0.00
24	Mohammed Mubeen	1000	Nil	0.00	1000	0.00

**i. The current & proposed status of the allottee(s) post the preferential issues:**

The current status of all the allottees is “non-promoter”. The proposed status of all the allottees will remain as “non-promoter”.

**j. Shareholding Pattern of the issuer before and after the issue:** The shareholding pattern of the Company before and after considering all the preferential allotment under this Notice is provided in an **Annexure 1** forming part of this Notice.

**k. Changes in control, if any, in the Company consequent to the issue:** There shall be no change in the management or control of the Company pursuant to the aforesaid issue and allotment of the Equity Shares.

**l. Number of persons to whom allotment has already been made during the year, in terms of Number of Securities as well as Price:** During the Financial year, the company has made following allotment.

Date of allotment	No. of persons	No of shares allotted	Issue price	Link
April 08, 2025	2	10,15,000 shares	Rs. 38.52/-	<a href="https://www.bseindia.com/xml-data/corpfiling/AttachHis/d18bbb38-0ddc-4c4d-91fd-85d46c2ac9df.pdf">https://www.bseindia.com/xml-data/corpfiling/AttachHis/d18bbb38-0ddc-4c4d-91fd-85d46c2ac9df.pdf</a>
July 23, 2025	46	1,27,37,600 shares	Rs. 72.60/-	<a href="https://www.bseindia.com/xml-data/corpfiling/AttachHis/a8c5cc5f-89cc-4afd-8e48-dd392d3b3c5f.pdf">https://www.bseindia.com/xml-data/corpfiling/AttachHis/a8c5cc5f-89cc-4afd-8e48-dd392d3b3c5f.pdf</a>
August 02, 2025	2	4,20,000 shares	Rs. 72.60/-	<a href="https://www.bseindia.com/xml-data/corpfiling/AttachHis/e32b4a9e-b75c-46dc-a5ca-359411308e6c.pdf">https://www.bseindia.com/xml-data/corpfiling/AttachHis/e32b4a9e-b75c-46dc-a5ca-359411308e6c.pdf</a>

**m. Justification for the allotment proposed to be made for consideration other than cash together with the Valuation Report of the Registered Valuer:** NA

**n. Lock in restrictions:** The equity shares to be issued and allotted to the proposed allottee shall be subject to lock-in as per the requirement of the provisions of the SEBI (ICDR) Regulations, 2018.

**o. Certificate from Practicing Company Secretary:** A certificate from the Practicing Company Secretary of the Company, certifying that the proposed issue is being made in accordance with the extant regulations of the SEBI ICDR Regulations, 2018 shall be placed before the shareholders at the General Meeting of the Company. The Certificate is also available on the Company’s website [www.kotharis.in](http://www.kotharis.in)

**p. Undertaking to re-compute the price:** Since the Company’s equity shares have been listed on a recognized Stock Exchange for more than 90 trading days prior to the Relevant Date, there is no need for the company to re-compute the price of equity shares to be issued and therefore, the Bank is not required to submit the undertakings specified under the relevant provisions of the SEBI ICDR Regulations.

**q. Undertaking to put under Lock-in till the recomputed price is paid:** Not applicable.

**r. Undertaking:** In accordance with SEBI ICDR Regulations 2018;

- all the Equity Shares held by the proposed allottees in the Company are in dematerialized form only;
- No person belonging to the aforesaid promoter group has previously subscribed to any warrants of the Company but failed to exercise them;

**s. Disclosure pertaining to wilful defaulters or a fraudulent Borrower:** Neither the Company nor any of its promoters or directors is wilful defaulters or a fraudulent Borrower.

The Board of Directors of the Company believes that the proposed Issue is in the best interest of the Company and its Members. The Board, therefore, recommends the Special Resolution set out at item no. 7 for the approval of the members.

None of the existing Directors and Key Managerial Personnel and their relatives has any concern or interest, financial or otherwise, in the proposed resolution.

By Order of the Board of Directors  
**For KOTHARI INDUSTRIAL CORPORATION LIMITED**

**J RAFIQ AHMED**  
Executive Chairman &  
Managing Director  
DIN : 02861341

Place : Chennai  
Date : 26.08.2025

**Annexure 1 - Pre and Post shareholding pattern**

SI.No.	Category	Pre issue Shareholding		Post issue Shareholding	
		No. of Shares	%	No. of Shares	%
<b>A</b>	<b>Promoter Holding</b>				
1	Indian				
	Individual/ HUF	5,03,45,336	47.10	5,03,45,336	46.36
	Bodies Corporates				
	Any Other Specify	107526	0.10	107526	0.10
	<b>Sub-Total (A1)</b>	<b>5,04,52,862</b>	<b>47.20</b>	<b>5,04,52,862</b>	<b>46.46</b>
2	Foreign Promoters	306946	0.29	306946	0.28
	Any Other Specify	360000	0.34	360000	0.33
	<b>Sub-Total (A2)</b>	<b>666946</b>	<b>0.62</b>	<b>666946</b>	<b>0.61</b>
	<b>Total Shareholding of Promoters and Promoter group (A) = (A1) + (A2)</b>	<b>5,11,19,808</b>	<b>47.82</b>	<b>5,11,19,808</b>	<b>47.07</b>
<b>B</b>	<b>Non-Promoter Holding</b>				
1	Insurance Companies	2197000	2.06	2197000	2.02
	Banks	7511	0.01	7511	0.01
	NBFCs registered with RBI	20	0.00	20	0.00
	Mutual Funds	133580	0.12	133580	0.12
	<b>Total (B1)</b>	<b>2338111</b>	<b>2.19</b>	<b>2338111</b>	<b>2.15</b>
2	Institutions (Foreign ) (B2)	0	0.00	0	0.00
	Any Other(Institutions (Foreign))	50	0.00	50	0.00
3	Central Government/ State Government(s)/ President of India (B3)	0	0.00	0	0.00
4	Non-Institutions(B4)				
	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	57,09,180	5.34	59,02,630	5.44
	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	3,68,27,985	34.45	3,83,45,603	35.31
	NRI	12,01,701	1.12	12,01,701	1.11
	Foreign Companies	70,56,000	6.60	70,56,000	6.50
	Bodies Corporate	23,08,199	2.16	23,08,199	2.13
	Any Other	3,29,671	0.31	3,29,671	0.30
	<b>Total Shareholding of Non-Promoters (B) = (B1) + (B2) + (B3) + (B4)</b>	<b>5,57,70,897</b>	<b>52.18</b>	<b>5,74,81,965</b>	<b>52.93</b>
	<b>Total (A + B)</b>	<b>10,68,90,705</b>	<b>100</b>	<b>10,86,01,773</b>	<b>100</b>

## DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING IN ACCORDANCE WITH REGULATION 36 (3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS 2

The brief resume, age, qualifications, functional expertise and the membership on various Boards and Committee to be re-appointed at the Fourteenth annual general meeting of the company are furnished below.

### I.

<b>Name of Director</b>	Mrs. Thoopjlamudu Arulpathy Rajalaxmi
<b>DIN</b>	08148628
<b>Date of birth</b>	18/11/1961
<b>Age</b>	64 years
<b>Qualifications</b>	Graduation (Bachelor in Arts)
<b>Expertise and experience in functional areas</b>	She has vast experience in Leadership, strategies, Planning, Sales, and Governance.
<b>No. of Board Meetings attended during the financial year 2024- 2025</b>	Please refer to the Corporate Governance Section.
<b>Terms and condition</b>	Liable to retire by rotation
<b>Remuneration last drawn(FY 2024-2025)</b>	NIL
<b>Remuneration Proposed to be paid</b>	Nil
<b>Date of appointment on the Board (Initial Appointment)</b>	11/06/2018
<b>Shareholding as on March 31, 2025</b>	NIL
<b>Relationship with other Directors / KMP</b>	No relation with any of the Directors
<b>Name of listed entities in which the person holds Directorship</b>	NIL
<b>Listed entities in which the person has resigned in the past three years</b>	NIL
<b>Chairman / Member of the Committee of the other Listed / Public companies in which he / she is a Director</b>	Nil
<b>Skills and capabilities required for the role and the manner in which the Independent Director meets the requirement.</b>	NA
<b>Chairman / Member of Committee of the Board of Directors of the Company.</b>	<b>Kothari Industrial Corporation Limited</b> <ul style="list-style-type: none"> <li>• Audit Committee-Member</li> <li>• Nomination and Remuneration Committee-Member</li> <li>• Stakeholders' Relationship Committee-Member</li> </ul>
<b>List of other Listed / Public Companies in which Directorship held</b>	Kothari Marine International Limited

## Kothari Industrial Corporation Limited

### II.

<b>Name of Director</b>	Mr.Rafiq Ahmed
<b>DIN</b>	02861341
<b>Date of birth</b>	17.08.1974
<b>Age</b>	51 years
<b>Qualifications</b>	Higher Secondary
<b>Expertise and experience in functional areas</b>	He is having vast experience in Leadership, strategies, Planning, Sales, marketing, Finance and Governance.
	He is holding directorship in Kothari industrial Corporation limited as well as in various companies. He is having good experience in Fertilizers business and he is the sole proprietor of M/s. Gemini Fertilizers. He has a rich experience in the field of Fertilizers business. He has Board broad experience in various business divisions and industries and an excellent understanding of the overall operations of his companies. Kothari Industrial Corporation Limited (KICL) today under his leadership stands with a vision of expanding across the globe in various ventures.
<b>No. of Board Meetings attended during the financial year 2024- 2025</b>	Please refer to the Corporate Governance Section.
<b>Terms and condition</b>	Reappointment for 3 years and Salary and other benefits already mentioned in the resolution and not liable to retire by rotation.
<b>Remuneration last drawn(FY 2024-2025)</b>	Rs. 60 lakhs
<b>Remuneration Proposed to be paid</b>	Rs. 2750000/- per month
<b>Date of appointment on the Board (Initial Appointment)</b>	21/04/2017
<b>Shareholding as on March 31, 2025</b>	4,15,90,734
<b>Relationship with other Directors / KMP</b>	No relation with any of the Directors
<b>Name of listed entities in which the person holds Directorship</b>	NIL
<b>Listed entities in which the person has resigned in the past three years</b>	NIL
<b>Chairman / Member of the Committee of the other Listed / Public companies in which he / she is a Director</b>	Phoenix Kothari footwear Limited Audit committee- Member NRC committee- Member
<b>Skills and capabilities required for the role and the manner in which the Independent Director meets the requirement.</b>	NA
<b>Chairman / Member of Committee of the Board of Directors of the Company.</b>	Nil
<b>List of other Listed / Public Companies in which Directorship held</b>	1) Phoenix Kothari footwear Limited 2) Interactive Creation Limited

## BOARD'S REPORT

### Dear Members,

Your Directors hereby present their 55<sup>th</sup> Annual Report on the business and operations together with the Audited Accounts of the Company for the year ended March 31, 2025.

### SUMMARY OF FINANCIAL RESULTS:

(Rs. in Lakhs)

Particulars	2024-25	2023-24
Total Revenue	8760.23	7681.02
Total Expenses	10377.05	3648.57
(Profit/Loss) before Depreciation, Interest, Exceptional Item and Tax	(1729.59)	4057.33
Depreciation	112.77	24.88
Interest	-	-
Profit/(Loss) before Exceptional Item and Tax	(1616.82)	4032.45
Exceptional Items(net)	-	-
Profit/(Loss) before Tax	(1616.82)	4032.45
Tax Expenses	-	863.13
Profit/(Loss) for the year	(1616.82)	3169.32
Other Comprehensive Income	4.07	109.96
Total Comprehensive Income	(1612.75)	3279.28
Earnings per share	(1.74)	26.27

The Company's Profit before Tax for the year ended 31<sup>st</sup> March 2025 has decreased from Rs. 4032.45 Lakhs to Rs. (1616.82) lakhs as compared to the previous year. The total income for the year ending 31<sup>st</sup> March 2025 was Rs. 8760.23 lakhs as against Rs. 7681.02 lakhs in the previous year.

### DIVIDEND

The Board of directors of the company has not recommended any dividend for the year ended 31<sup>st</sup> March, 2025.

### PERFORMANCE

The performance of the company during the year under review is satisfactory and promising. The Board of directors will thrive to improve the performance during the current year.

The performance of each segment is provided in the segment-wise revenue and results section of the financial statement3s.

### CHANGE IN NATURE OF BUSINESS IF ANY:

During the year, under review Company has started to do business in publishing or media business-Industrial Economist. In addition, during the year the company has opened Kicker's footwear showroom in Chennai and Qatar.

### PROSPECTS

Due to diversification to other businesses, it is expected that the company will register better performance during the coming year.

### SHARE CAPITAL:

Share Capital	31.03.2025	31.03.2024
	(Amount in INR)	
a) Authorized Share Capital 15,00,00,000 Equity Shares of Rs.5/- each	75,00,00,000	25,00,00,000
b) Issued, Subscribed and fully Paid-up Share Capital 9,27,18,105 Equity shares of Rs.5 each	46,35,90,525	6,24,19,425

The company has increased the authorized share capital from Rs. 25 crores to Rs. 75 crores. The company has issued shares by way of preferential issue to Promoter and Non-Promoters for 3,00,00,000 shares on 31.08.2024 and 3,52,00,000 on 20.01.2025 and 1,50,34,220 on 27.03.2025 during the year under review.

## **TRANSFER TO RESERVES**

Your company has not transferred any amount to the reserves for the year ended 31<sup>st</sup> March, 2025 in the absence of profit.

## **MANAGEMENT DISCUSSION AND ANALYSIS & CORPORATE GOVERNANCE:**

In terms of provisions of Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, (hereinafter referred to as Listing Regulations) the Management Discussion and Analysis Report is appended as **Annexure I** to this report.

## **PARTICULARS OF EMPLOYEES:**

The details of remuneration of Directors and Employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as **Annexure II** to this report.

During the year under review, no employees, whether employed for the whole or part of the year, were drawing remuneration exceeding the limits as laid down u/s

## **B) Details with regards to meeting of Board of Directors during the year of the Company**

### **(i) Composition of the Board of Directors as on 31-03-2025 is mentioned below:**

<b>Name of the Director</b>	<b>Designation</b>	<b>Category</b>
Mr. J Rafiq Ahmed	Executive Chairman & Managing Director	Executive Director
Mr. D Gunasekaran	Director	Independent Director
Mr. Velayutham Anburaj	Director	Independent Director
Mrs.Thoopjlamudu Arulpathy Rajalaxmi	Director	Non-executive Non-Independent Director

### **(ii) Board meeting:**

During the year 11 Board Meetings were held, the details of which are given in the Corporate Governance Report. The intervening gap between two meetings was within the period as prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **Details in respect of frauds:**

During the year under review, the statutory auditors have not reported to the Audit Committee under section

Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. A statement showing the median remuneration and other details along with remuneration of top ten employees who were in receipt of remuneration as prescribed under the Rules form part of this report and will be provided to any member on a written request to the Company Secretary.

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

### **A) Change in Board Constitution and KMP**

- Mr. Pradip D Kothari, Chairman and Director, resigned from his directorship on 18.02.2025 and Mr. Rafiq Ahmed was re-designated as the Executive Chairman and Managing Director.
- Mr. Dilip Machado, Independent Director completed his tenure of directorship w.e.f 30.03.2025.
- Mr. Velayutham Anburaj, was appointed as the additional director cum Independent Director w.e.f 24.01.2025 and subsequently appointed as Independent director in the extra ordinary general meeting held on 15.02.2025.

143(12) of the Companies Act, 2013, any instance of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board Report.

### **Declaration by Independent Directors:**

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 and Regulation 16 of the SEBI (LODR) Regulations, 2015 that the Independent Directors of the Company continues to meet the criteria of their Independence laid

down in Section 149(6) and continue to be included in the Data Bank maintained by the Indian Institute of Corporate Affairs and the Online proficiency self-assessment test requirement pursuant to Rule 6(4) of Companies (Appointment and Qualification of Directors) Rules, 2014.

A policy on familiarization program for Independent Directors has also been adopted by the Company and is put up on the website of the company [www.kotharis.in](http://www.kotharis.in). All new Independent Directors (IDs) included in the Board are presented with an overview of the Company's business operations, products, organization structures and about the Board Constitutions and its procedures.

During the year under review, the Independent Directors met on 29.07.2024, 10.12.2024 and 31.03.2025.

#### **Policy on Directors' Appointment and Remuneration:**

The Policy of the Company on Director's Appointment and Remuneration, including criteria for determining qualifications, positive attributes, independence of director and other matters provided under Section 178(3) of the Companies Act, 2013, adopted by the Board, is posted on the website of the Company [www.kotharis.in](http://www.kotharis.in). We affirm that the Remuneration paid to the director is as per the terms laid out in the said policy.

#### **KEY MANAGERIAL PERSONNEL:**

The following are Key Managerial Personnel:

Mr. J Rafiq Ahmed, Executive Chairman and Managing Director

Mr. Anil Kumar Padhiali, Company Secretary and Compliance officer

Mr. Hari Kishore Arikati, Chief financial officer

#### **COMPOSITION OF BOARD'S COMMITTEES:**

Currently, the Board has three Committees: The Audit Committee, the Nomination and Remuneration Committee, and the Stakeholder's Relationship Committee. All Committees are appropriately constituted. Details of the All Committees are listed in the Corporate Governance Report.

#### **BOARD EVALUATION:**

Annual evaluation of the performance of the Board, its Committees and of individual directors has been made, pursuant to the section 134(3) of the Companies Act, 2013.

The Nomination and Remuneration Committee ("NRC") reviewed the annual performance of the individual Directors.

In a separate meeting of Independent Directors, performance of non-Independent Directors, performance of the Board as a whole was evaluated.

#### **VIGIL MECHANISM:**

The Company has established a mechanism for Director's and employees to report their concerns relating to fraud, malpractice or any other activity or event which is against the interest of the Company. The Whistle Blower Policy is in place. Employees can report to the Management concerned unethical behaviour, act or suspected fraud or violation of the Company's Code of Conduct Policy. No Employee has been denied access to the Audit Committee. The Vigil Mechanism policy of the company is available on our website [www.kotharis.in](http://www.kotharis.in).

#### **PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of Prevention of Insider Trading with a view to regulating trading in securities by the Promoters, Directors and Designated Persons of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Promoters, Directors and the Designated Persons while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

#### **CORPORATE SOCIAL RESPONSIBILITY:**

As per the provision of Section 135 of the Companies Act, 2013, all companies having a net worth of Rs.500 crore or more, or a turnover of Rs.1,000 crore or more or a net profit of Rs.5 crore or more during any financial year are required to constitute a CSR committee and hence our Company does not meet the criteria as mentioned above, hence the Company has not constituted any Corporate Social Responsibility Committee and the provisions of Section 135 of the Companies Act, 2013 is not applicable to the Company.

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT 2013 AND COMPLIANCE WITH MATERNITY BENEFIT ACT 1961:**

The Company has in place a Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act 2013. All the employees (permanent, Contractual, temporary, Trainees) are covered under this policy. Company has constituted the internal complaint committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013. During the year under review, no complaints were received falling under the category of Sexual Harassment of Women.

\* Number of sexual harassment complaints received- 0

\* Number of complaints disposed of-0

\* Number of cases pending for more than 90 days-0

**Compliance with Maternity Benefit Act 1961:**

The company has complied with the provisions of Maternity Benefit Act 1961, including all applicable amendments and rules framed thereunder. All eligible women employees are provided with maternity benefits as provided under Maternity Benefit Act 1961

**SECRETARIAL AUDITOR:**

Pursuant to provisions of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company engaged the services of M/s. Santosh Senapati & Co., Company Secretary in practice, Chennai to conduct the Secretarial Audit of the Company for the 12 months' period ended on 31<sup>st</sup> March, 2025. The Secretarial Audit Report (in Form MR-3) is attached as **Annexure-III** to this Report.

Comments of the Board on the qualification/reservation/ adverse remarks/disclosure made:

Observations by Secretarial Auditor	Management Reply
1) The total promoter and Promoter group shareholding is not fully Dematerialized as per Regulations 31(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)	The company was suspended since 2000, due to suspension, some of the Promoter and Promoter group did not dematerialize their shares. Now the Company's shares are trading in the market and the date of revocation is 28.03.2024. The Board of Directors has informed the promoter and promoter group except M/s. Saloman Investment Limited to dematerialize their shares. M/s. Saloman Investment Limited is a defunct company. Date of defunct is 24.02.2007. Except M/s. Saloman Investment Limited, remaining Promoter and Promoter group will convert their physical shares to demat.

**STATUTORY AUDITORS AND AUDITORS REPORT:**

The Board of Directors of the Company, in their meeting held on 31<sup>st</sup> August, 2023, recommended the appointment of M/s. RAY & RAY., Chartered Accountants, Chennai (FRN:301072E) as statutory auditors of the Company to hold office from the conclusion of the 53<sup>rd</sup> AGM till the conclusion of the Annual General Meeting to be held in the year 2028. At the 53<sup>rd</sup> Annual General Meeting of the company held

on 30<sup>th</sup> September 2023, M/s. RAY & RAY., Chartered Accountants were appointed as Statutory Auditors of the company to hold office till the conclusion of the Annual General Meeting to be held in the year 2028.

The Independent Auditors' Report on the accounts for the financial year ended 31<sup>st</sup> March 2025 contain qualification remarks.

Comments of the Board on the qualification/reservation/ adverse remarks/disclosure made:

Observations by Auditor	Management Reply
<p>1) During the year, the Company has sold its land and plant and machinery located in its factory in Ennore to Coromandel International Limited for Rs. 48,95,00,000 and Rs. 1,33,00,000 respectively. We were informed that the sale registration is still pending with the Sub Registrar office for assessment of market value for stamp duty purposes. Subject to this, the Company has computed capital gains on the sale consideration as per the sale deed. Pending the final order of the SRO, we are unable to comment on the correctness of the computation of the capital gains in line with the relevant provisions of the Income Tax Act 1961. To this extent, the provision for income tax may undergo revision depending on the outcome of the order of the competent authority against the writ petition. The Company plans to seek a valuation from the Income Tax Valuation Officer and pursue further steps, including appeals, if required.</p>	<p>The Company has sold its land and plant and machinery located in its factory in Ennore to Coromandel International Limited for Rs. 48,95,00,000 and Rs. 1,33,00,000 respectively. The sale registration is still pending with the Sub Registrar office for assessment of market value for stamp duty purposes. Subject to this, the Company has computed capital gains on the sale consideration as per the sale deed. The management is in the process of filing a writ petition with Madaras high court disputing the guideline value fixed by the govt of Tamil Nadu.</p>
<p>2) For the land held by the Company in Gujarat valued at cost Rs 1,85,174 we are unable to comment on the title of the Company as sufficient audit evidence viz sale deed/allotment letter was not provided. This was also reported by us in the previous year.</p>	<p>The management is actively working to address this qualification. We believe the impact of this qualification is not material to the financial statements, as the land in question continues to be in the possession and control of the Company, and there are no disputes or claims challenging the Company's ownership. The valuation of the land at Rs. 1,85,174 is based on historical cost, and no impairment indicators have been identified. The sale deed/allotment letter for the land could not be provided during the audit due to ongoing administrative processes with the relevant authorities in Gujarat to obtain the necessary documentation. The land was acquired several years ago, and the original documents are in the process of being retrieved or re-issued by the concerned government department. The Company is in regular communication with the authorities to expedite this process and expects to resolve this matter in the near future.</p>

<p>3) Year-end direct balance confirmation in respect of trade receivables Rs. 4,13,85,015, trade payables Rs. 3,39,58,473, vendor advances Rs. 7,19,50,858, advances from customers Rs. 1,63,37,105 and other advances/deposits Rs. 26,32,927 have not been provided for our verification. In the absence of such confirmations, we are unable to ascertain any consequential effect of the above in the financial results for the year.</p>	<p>The management believes that the impact of this qualification is not material to the financial statements. The balances in question are recorded based on the Company's books of accounts, which are maintained in accordance with applicable accounting standards and reconciled regularly. There are no known disputes or discrepancies with the counterparties that would suggest a material misstatement in the reported figures. The Company faced challenges in obtaining direct balance confirmations from certain customers, vendors, and other parties due to logistical constraints, including delayed responses or non-cooperation from some counterparties, particularly towards the year-end. Additionally, some of these balances pertain to a large number of small-value transactions with multiple parties, making it administratively difficult to obtain confirmations within the audit timeline.</p>
<p>4) The Company has recorded its closing inventory at Rs. 7,18,53,535 as of 31<sup>st</sup> March 2025. In the absence of stock valuation reports, a detailed assessment of the valuation's correctness and its effect on financial reporting for FY 2024-25 could not be ascertained. Further, the Company does not have a system of identifying and recording non-moving and slow-moving inventories as a result of which we are unable to comment on the impact of such items in the accompanying financial statements.</p>	<p>The management believes that the impact of this qualification is not material to the financial statements. The closing inventory has been valued in accordance with the Company's established accounting policies, which are consistent with applicable accounting standards. The valuation is based on internal records, including physical stock counts and cost computations, which have been reconciled with the books of accounts. There are no indications of significant discrepancies that would materially affect the financial results. The stock valuation reports could not be produced for audit verification due to an administrative oversight in the documentation process during the year-end closing. Specifically, the detailed valuation reports were not compiled in the format required by the auditors within the audit timeline. This was primarily due to a transition in the inventory management system during FY 2024-25, which led to delays in generating the necessary reports. However, the underlying data supporting the inventory valuation is maintained in the Company's records and has been used to arrive at the reported figures.</p>
<p>5) Out of the total related party balances of Rs. 11,63,11,633, sufficient audit evidence for nature of such transactions by way of loan/deposit agreements, balance confirmations wasnt provided for Rs. 4,90,000. Hence, we are unable to substantiate the correctness and existence of these loans &amp; advances.</p>	<p>The management believes that the impact of this qualification is not material to the financial statements. The unverified amount of Rs. 4,90,000 represents a small portion (approximately 1.1%) of the total related party balances. These balances are recorded based on the Company's books of accounts, which are maintained in accordance with applicable accounting standards and supported by internal documentation, including board approvals and transaction records. There are no indications of disputes or irregularities that would suggest a material misstatement in these balances. The loan/deposit agreements and balance confirmations for the specified amount of Rs. 4,90,000 could not be provided during the audit due to delays in obtaining formal confirmations from the related parties involved. These transactions primarily involve short-term advances extended to related entities, and the documentation process was delayed due to administrative challenges in coordinating with these parties, particularly during the year-end closing period. The Company maintains internal records of these transactions, but formal agreements and confirmations were not compiled in time for the audit.</p>

<p>6. Attention is drawn to Note No 41(7)(n), wherein a subsidy of Rs. 80 lakhs is carried in the books as receivable from the Government for which no documentary evidence was produced to us for verification. Also, the Company has not made a provision against such balance which is outstanding for more than 8 years. Hence, we are unable to comment on its realizability or otherwise and its accounting treatment in consonance with Ind AS 20.</p>	<p>The management believes that the impact of this qualification is not material to the overall financial statements. The subsidy receivable of Rs. 80 lakhs was recognized based on the Company's eligibility under a government scheme, supported by initial correspondence with the relevant government authority at the time of recognition. The management remains confident in the recoverability of this amount, as there have been no formal communications from the government indicating cancellation or rejection of the subsidy claim. However, due to the prolonged duration of the receivable, the management acknowledges the need for further documentation to substantiate its realizability. The documentary evidence supporting the subsidy receivable could not be produced during the audit due to challenges in retrieving updated correspondence or sanction letters from the concerned government department. The subsidy pertains to a scheme initiated over 8 years ago, and delays in government processing, coupled with changes in administrative personnel, have hindered timely documentation. The Company has not made a provision against this balance, as it believes the receivable is still recoverable based on ongoing discussions with the government authority and the absence of any adverse notifications. However, the lack of recent documentary evidence has limited the ability to provide conclusive audit evidence within the audit timeline.</p>
<p>7. The proceedings initiated by the Collector of Nilgiris for repossession of certain plots of land in Coonoor earmarked for public use has been challenged by the company on a Write Petition filed before Madras High Court and the matter is pending adjudication. Decision, if any, by the Madras High Court which does not go in favor of the Company, could give rise to a liability and consequential loss, which could not be ascertained at the balance sheet date.</p>	<p>The proceedings initiated by the Collector of Nilgiris for repossession of certain plots of land in Coonoor earmarked for public use has been challenged by the company on a Writ Petition filed before Madras High Court and the matter is pending for adjudication.</p>

#### **COST AUDITOR:**

Pursuant to notification of Companies (Cost Records and Audit) Rules, 2014 read with Companies (Cost Records and Audit) Amendment rules, 2014 the Company does not fall under the purview of Cost Audit.

#### **PARTICULARS ON CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

#### **a) Energy Conservation:**

- i) The steps taken or impact on conservation of energy- The company has taken efforts to conserve and optimize the use of energy in the office.
- ii) The steps taken by the company for utilizing alternate sources of energy-NA
- iii) The capital investment on energy conservation equipments- NA

**b) Technology absorption :**

- (i) the efforts made towards technology absorption;  
Kothari Industrial Corporation Limited (KICL), through its Drones & Geospatial Division, has undertaken significant efforts to absorb advanced technologies, particularly in geospatial services and unmanned aerial vehicle (UAV) applications, to deliver precise, reliable, and professional solutions across sectors such as agriculture, mining, forestry, and urban planning.

- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution;

The absorption of drone and geospatial technologies has yielded significant benefits for KICL, aligning with the objectives of product improvement, cost reduction, product development, and import substitution. These benefits include:

**1. Product Improvement:**

- o The use of drones for precision agriculture, such as targeted spraying of bio and organic fertilizers, has improved the quality and effectiveness of agrochemical applications. For instance, KICL's 30 new agro-products, including neem-based and bio-organic inputs, are optimized for drone and traditional spraying, enhancing agricultural productivity and addressing pest and disease challenges.
- o Geospatial services like LiDAR and DGPS surveys have improved the accuracy of mapping and data collection, enabling high-quality deliverables for clients in sectors like forestry, mining, and urban planning.

**2. Cost Reduction:**

The precision application of agrochemicals using drones has minimized resource wastage, reducing pesticide and water usage significantly.

**3. Product Development:**

- o KICL has developed new service offerings through its drone and geospatial technologies, including specialized applications like river morphology analysis, mining surveys, and forest mapping. These services cater to emerging needs in environmental management and urban development.
- o The launch of 30 new agro-products, including insecticides, fungicides, and herbicides, demonstrates product development tailored to modern farming needs, supported by drone technology for efficient delivery.

**4. Import Substitution:**

- By investing in geospatial software, data processing hardware, and drone-related technologies, KICL has reduced reliance on imported services for geospatial and mapping solutions. The establishment of an RPTO and in-house training programs further supports local capacity building, minimizing the need for foreign expertise.
  - KICL's focus on developing indigenous capabilities in drone technology, such as training certified pilots and engineers, contributes to import substitution by fostering self-sufficiency in UAV operations and maintenance.
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the year under reference) –
- details of the technology imported;- NA
  - the year of import;- NA
  - whether the technology has been fully absorbed and if not, areas where absorption has not taken place, and the reasons thereof;- NA
- (iv) the expenditure incurred on Research and Development- The disclosure pertaining to Research and Development is not applicable to your Company.

**c) Foreign Exchange Earnings and Outgo:**

Particulars	FY 2024-25
Foreign Exchange Earnings	Rs. 228578357.73
Foreign Exchange Outgo	Rs. 6619958.58

Particulars	FY 2023-24
Foreign Exchange Earnings	Rs. 5045596
Foreign Exchange Outgo	Nil

**DIRECTORS' RESPONSIBILITY STATEMENT:**

The Directors confirm that: -

- a) In the preparation of the Accounts for the Financial Year ended 31<sup>st</sup> March 2025 the applicable accounting standards and schedule III of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force), have been followed along with the proper explanation relating to material departure;

- 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 loss of the Company for that period.
- c) To the best of their knowledge and information, they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) They have prepared the annual accounts on a going concern basis. The auditors have expressed an emphasis of matter on Going Concern in their Audit.
- e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls though adequate are being strengthened on an ongoing basis quite effective to operate effectively; and
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

#### **SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES:**

The Company does not have any Subsidiaries or Associate Company nor does it have Joint Venture with any entity. Consolidated Financial statements are not applicable to your Company. During the year, Kothari Marine International Limited has ceased to be subsidiary of the company. The policy for determining the material subsidiaries is available in our website at [www.kotharis.in](http://www.kotharis.in).

#### **CONSOLIDATION FINANCIAL STATEMENTS:**

The Company does not have any subsidiaries as on 31<sup>st</sup> march, 2025 and therefore only standalone financial statements needs to be prepared. Consolidated Financial statements are not applicable to your Company.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

During the year under review, the Company has not provided loans, investment and guarantees under the provisions of the Companies Act, 2013.

#### **RISK MANAGEMENT:**

The Company has implemented a risk management policy including identification therein of elements of risk, if any, which in the opinion of the Board is adequate.

#### **EXTRACT OF ANNUAL RETURN:**

In accordance with Section 92(3) of the Act and rule 12(1) of the Companies (Management and Administration) Rules, 2014 (as amended), a copy of the Annual Return of the Company shall be placed on the Website of the Company at [www.kotharis.in](http://www.kotharis.in).

#### **RELATED PARTY TRANSACTIONS:**

All Related Party Transactions entered into by your Company had prior approval of the Audit Committee and the Board of Directors, as required under the Listing Regulations and the Companies Act 2013. Subsequently, the Audit Committee and the Board have also reviewed the Related Party Transactions on a quarterly basis. Since all Related Party Transactions entered into by your Company were in the ordinary course of business and also on an arm's length basis, accordingly the particulars of the transactions as prescribed in Form AOC - 2 is annexed as Annexure-IV.

#### **CORPORATE GOVERNANCE:**

Your Company has taken adequate steps to adhere to all the stipulations laid down in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A report on Corporate Governance is included as a part of this Annual Report is annexed as **Annexure-V**.

#### **COMPLIANCE WITH SECRETARIAL STANDARDS:**

The Company complies with all applicable secretarial standards issued by the Institute of Company Secretaries of India.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT:**

There are no significant and material orders passed by the Regulators or Court that would impact the going concern status of the company.

#### **INTERNAL FINANCIAL CONTROLS:**

The Company has a well-placed, proper and adequate internal control system, which ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported correctly. The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. This has been endorsed by statutory auditors in their separate report which is annexed.

## Kothari Industrial Corporation Limited

### CODE OF CONDUCT:

As prescribed under the provisions of Section 149 of the Companies Act, 2013 read with Schedule IV thereto and Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for its Board of Directors and senior management and employees, the Company has formulated a comprehensive Code of Conduct (the Code). The Code is applicable to Directors and senior management and employees to such extent as may be applicable to them depending upon their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The Code reflects the values of the Company viz. Customer Value, Integrity, one team and Excellence. A copy of the Code has been uploaded on the Company's website [www.kotharis.in](http://www.kotharis.in). The Code has been circulated to all the Directors and Management Personnel and its compliance is affirmed by them annually. A declaration signed by the Company's Executive Chairman and Managing Director for the compliance of this requirement is published in this Report.

### INTERNAL AUDITOR:

Mr. Venkateswara Rao, who is an employee and qualified and experienced Chartered Accountant, as the Internal Auditor of the Company has carried out effective internal audit of the operations and accounts of the company during the year.

### MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

Subsequent to the end of the financial year i.e., 31st March 2025,

- 1) The Company has
  - has entered into an agreement and is in process to acquire certain footwear assets from Zaimus Trends Pvt Ltd for ₹70 lakhs.
  - the Company executed a long-term strategic business agreement with Zaimus Trends Private Limited for sourcing, manufacturing, supply, and brand management of footwear products under the Company-owned trademarks "Jeetlo", "Zodiz" and "Zodiz Kidoz".
  - acquired trademarks "Jeetlo", "Zodiz" and "Zodiz Kidoz" from ZyfTex Pvt Ltd, Zaimus International Pvt Ltd, and Zaimus Trends Pvt Ltd for ₹11 lakhs.

These developments will strengthen the Company's footwear division and enhance its market presence.

- 2) The Company entered into an agreement to acquire 30% equity stake held by Mr. Rafiq Ahmed in Phoenix Kothari Footwear Limited. This investment is considered a material commitment which may significantly impact the financial position of the Company in future years.
- 3) The Company has launched new agro products in the fertilizer segment. This strategic expansion is expected to strengthen the Company's position in the agri-input market.
- 4) The company has opened Kicker's footwear showroom in Indoor and Noida and opened various restaurants.
- 5) Company has entered into Slump sale agreement with Parveen Roadways to purchase/acquisition of Sole Proprietor-Parveen Roadways by way of Slump Sale for a cash consideration of Rs. 24.04 crores.

### LISTING:

The Company is listed on The Bombay Stock Exchange (BSE) and Calcutta Stock Exchange Limited (CSE). The Company confirms that it has paid listing fees for the financial year 2025-2026 to BSE Limited and the Company has not paid listing fees to CSE since 1998.

### DEPOSITS:

The Company has not accepted any public deposit during the year.

### CAUTIONARY STATEMENT

Statements in this Report, particularly those which relate to Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from those either expressed or implied in the statement depending on the circumstances.

### ACKNOWLEDGEMENT:

Your directors place on records their appreciation of the valuable support of management, Financial Institutions, Government authorities, Banks, and Employees and shareholders. The cooperation and the forbearance of the members are gratefully acknowledged.

By Order of the Board of Directors  
**For KOTHARI INDUSTRIAL CORPORATION LIMITED**

**J RAFIQ AHMED**  
**Executive Chairman &**  
**Managing Director**  
**DIN : 02861341**

**Place : Chennai**  
**Date : 26.08.2025**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors have pleasure in presenting the management discussion and analysis report for the year ended on March 31, 2025.

**1. INDUSTRY STRUCTURE, DEVELOPMENT :** Kothari Industrial Corporation Limited operates across a diverse set of sectors: fertilizers, footwear, food services, and publishing. The Indian fertilizer industry continues to be heavily influenced by government subsidies, monsoon patterns, and input costs. While urea remains price-controlled, the shift towards specialty fertilizers presents new opportunities. In terms of usage, nitrogen is the most consumed nutrient in agriculture by Indian farmers. 80% of consumption of nitrogen for agricultural purposes is through urea. The price of urea is regulated by the Government of India, which gives subsidy to the farmers via price subvention mechanism on the urea sold for agriculture use. The use of urea, is widespread due to low nitrogen content in Indian soil, and rapid due to its affordability, ease of application and proven visible results. This is borne out by international experience too. Urea is now a vital fertiliser and widely accepted for farm productivity. The past five-year's (2020 - 2025) growth figures (on CAGR basis) of urea sales show an increase of ~2.6 % p.a., which is primarily due to increase in gross irrigated area, gross cropped area and higher usage/acre. The global footwear market was valued at approximately \$423 billion in 2024 and is projected to reach \$618 billion by 2033, growing at a CAGR of 4.3%. Meanwhile, India's Footwear Industry was valued at approximately \$18.7 billion in 2024 and is projected to reach \$46.02 billion by 2033, growing at a CAGR of 10.1%. India is positioning itself as a leader in Industry 4.0 by setting an ambitious goal to become a major global hub for drones by 2030. This move is projected to boost the country's GDP by 1 1.5% and create at least 500,000 jobs in the coming years. The drone manufacturing industry in India has seen significant growth, with annual sales turnover expected to increase from approximately Rs. 60 crore in 2020-21 to around Rs. 900 crore by 2024-25, according to Minister of State of Civil Aviation Gen. VK Singh (Retd.). India's Food & Beverage service industry stands as a dynamic and evolving market. Key growth is capitalising on urban lifestyle changes, digital delivery platforms, and organised business formats, while grappling with inflationary pressures and profit-margin constraints. The

overall food service industry is projected to grow at a CAGR of about 11% during 2023–26. It is estimated that the organised segment of the food service market will surpass the unorganised segment by FY 2025–26.

**2. OPPORTUNITIES & THREATS :** Government schemes and subsidies promote fertiliser usage. Expansion of rural infrastructure and irrigation facilities, growing awareness of micronutrients & speciality fertilisers and rising adoption of digital platforms for agri-input delivery, are going to be the key driver for growth in fertiliser consumption in years to come. The geographical expansion of marketing territory and deeper penetration in existing territory, offer an opportunity to grow the business of marketed products. The new territories have sizeable demand of NPK fertilisers, crop protection chemicals and speciality plant nutrients, which gives opportunity to the Company to grow. The Company's continued focus on product quality and high level of customer satisfaction is likely to deliver positive results in the future. In fertilizers, increasing awareness of soil health and sustainable agriculture offers scope for innovation in bio-fertilizers and micronutrients. Government incentives for balanced fertilization further strengthen demand. While India is the second largest footwear producer, contributing approximate 11.6% to the global footwear production, it consumes just 12.4% of global production even with its large population base representing an immense untapped domestic market with substantial headroom for growth. Further, almost 65% of the country's population resides in the rural areas, where the footwear market penetration is low and hence, presents a huge opportunity. The rural opportunity is complemented by significant potential in underserved women & kids footwear segments.

Further, almost 65% of the country's population resides in the rural areas, where the footwear market penetration is low and hence, presents a huge opportunity. The rural opportunity is complemented by significant potential in underserved women & kids footwear segments. India's diverse landscape and growing economy present fertile ground for the drone industry. In agriculture, drones offer significant advancements through precision farming. By enabling efficient crop monitoring, precise pesticide application, and detailed soil analysis, drones can help farmers optimize resources and increase

yields. Similarly, the expanding infrastructure sector can benefit from drones in surveying, mapping, and monitoring construction sites, enhancing efficiency and safety. The logistics and delivery sector also stands to gain from drone technology. Drones can revolutionize last-mile delivery, especially in remote or congested urban areas, while also providing crucial services in medical supply delivery and disaster relief. Security applications for drones are equally promising, from border surveillance and industrial monitoring to supporting law enforcement and public safety efforts. On the other side, Drone companies in India face several risks and concerns that could hinder their growth and sustainability. A significant challenge is the regulatory landscape, which, despite improvements, remains complex and sometimes restrictive. Compliance with evolving regulations can be burdensome and costly, especially for smaller firms. Additionally, illegal imports of drones, often sold at lower prices without adhering to safety and quality standards, create unfair competition for legitimate businesses. This not only undermines market stability but also raises safety concerns, as these unregulated drones can pose significant risks to public safety and security. The expanding middle class and increasing urbanization across India and abroad are driving higher spending on dining out and premium food experiences, creating strong demand for both casual and fine dining formats. Consumers are increasingly open to exploring regional Indian and global cuisines, offering an opportunity for Specialty Restaurants to innovate and introduce niche or themed dining concepts across its brand portfolio. Partnering with malls, airports, hotels, and corporate institutions can enhance visibility and open new high-traffic channels for growth. The Company's future prospects are influenced by a range of economic, operational, and market-driven factors. Key considerations include shifting consumer preferences, rising food costs driven by inflation, and evolving regulatory requirements that may impact business operations and compliance. Additionally, challenges such as market saturation, increasing competition, and high real estate costs—particularly in prime locations—can affect economic viability and expansion strategies. Operational factors such as attracting and retaining skilled manpower, ensuring supply chain efficiency, integrating

new technologies, and adhering to health, safety, and environmental sustainability standards are also critical to the Company's sustained performance. Successfully navigating these complexities will be essential for maintaining growth momentum and ensuring long-term resilience in a dynamic and competitive business environment.

**3. SEGMENT-WISE PERFORMANCE :** Segment wise performance report is available in financial statements.

**4. OUTLOOK :** The outlook for the fertilizer division remains positive, supported by favorable government policies, stable demand, and opportunities in organic and specialty fertilizers. The Company is exploring backward integration and agro-input diversification. The footwear business is expected to gain from retail expansion and digital brand building. While in FY 2024-25, the overall consumer demand remained modest due to high inflation, discretionary spending & challenging macro environment; however, the Indian economy is expected to see a gradual recovery in FY 2025-26. This cautiously optimistic outlook is supported by ongoing government initiatives and a steady rise in disposable incomes among consumers. Our Company is well positioned to tap into these emerging opportunities, supported by our diversified brand portfolio, adaptive market strategies, planned launch of the premium footwear range and a wide distribution network. By continuing to focus on innovation, premium products, and customer-centric practices, we aim to further strengthen our position in the Indian footwear market. The drone industry in India is set to experience significant growth, driven by expanding opportunities across various sectors. One of the most promising areas is agriculture, where drones are revolutionizing traditional farming practices. By enabling precision farming, drones allow for efficient crop monitoring, soil analysis, and pest management, which can lead to optimized resource use, reduced costs, and improved yields. With India's vast agricultural landscapes, the adoption of this technology is crucial for addressing challenges related to food security and sustainability. Government initiatives and technological advancements are making drones more accessible to farmers, further accelerating this trend. Drones are also proving to be vital in crisis and disaster relief efforts, offering support for search and rescue operations, damage assessments,

and the delivery of essential supplies. The Indian government's focus on enhancing drone capabilities for these applications opens up new opportunities for improving disaster response and recovery efforts. By advancing drone technology, India can enhance its preparedness and response to emergencies, ultimately benefiting affected communities. The outlook for the restaurant industry in India remains positive, underpinned by evolving consumer preferences, rapid technological advancements, and continued market expansion. However, the industry must also navigate key challenges, including regulatory compliance, economic volatility, and intensifying competition from both domestic and international players. To achieve sustainable success in this dynamic environment, restaurants must remain agile by adapting to emerging trends, embracing digital transformation, and prioritizing exceptional customer experiences. Operators who can innovate while maintaining operational efficiency and quality will be best positioned to lead and grow in the evolving food service landscape. Your Company is strategically positioned to capitalize on these domestic growth opportunities. With a portfolio of well-established and trusted brands, the Company is well-equipped to cater to evolving consumer tastes and deliver value across multiple dining formats. This positions the Company to sustain momentum and further strengthen its presence in the competitive and dynamic food service sector. Company is planning to open various restaurant in coming years.

**5. RISK & CONCERNS :** The fertiliser industry is dependent on the extant policies of the Government of India. The volatility in the price of marketed fertilisers, coupled with regulation of prices of the products by the Government of India may also adversely impact the Company in the short run. The fertilizer business is sensitive to subsidy disbursements, raw material imports, and monsoon variability. The Indian footwear industry is heavily labour-intensive, relying on manual processes for cutting, stitching, and assembly. While this creates significant employment, particularly in rural areas, it also presents challenges. A major issue is the shortage of skilled workers, especially in advanced design and mechanised operations, which affects productivity and product quality. Additionally, dependence on manual labour makes scaling up difficult and limits consistency in output. Rising labour

costs and a lack of formal training infrastructure further compound the problem, making it harder for the industry to modernise and compete with more automated global manufacturing hubs. To mitigate risks, your Company proactively monitors its major concerns and takes appropriate steps in consultation with the Board of Directors of the Company. Your Company has a strong foundation to overcome any obstacle. Your Company is committed to deliver high-quality products and services to customers while maintaining a safe and fair work environment for its employees. Drone companies in India face several risks and concerns that could hinder their growth and sustainability. A significant challenge is the regulatory landscape, which, despite improvements, remains complex and sometimes restrictive. Compliance with evolving regulations can be burdensome and costly, especially for smaller firms. Additionally, illegal imports of drones, often sold at lower prices without adhering to safety and quality standards, create unfair competition for legitimate businesses. This not only undermines market stability but also raises safety concerns, as these unregulated drones can pose significant risks to public safety and security. Increasing competition, both domestic and international, also poses a threat to Indian drone companies. International firms, equipped with advanced technology and substantial financial resources, can outcompete local startups, making it difficult for them to establish a foothold in the market. This competitive pressure necessitates continuous investment in research and development to keep up with technological advancements, which can strain the financial resources of smaller companies. Furthermore, cybersecurity risks are a major concern, as drones are vulnerable to hacking and data breaches, potentially compromising sensitive information and operational integrity. Addressing these issues requires a concerted effort from the industry and regulatory bodies to ensure a fair, safe, and competitive market environment.

Key risks facing in the restaurant business include: Persistently high inflation, leading to increased input and operating costs, Geopolitical tensions, particularly with neighboring countries, which may disrupt international operations or supply chains, Sudden or unanticipated regulatory changes impacting food safety, taxation, labor laws.

## **6. INTERNAL CONTROL SYSTEMS & THEIR ADEQUEACY :**

The Company has instituted robust internal control systems commensurate with its diversified business operations. These systems ensure reliable financial reporting, compliance with applicable laws and regulations, and efficient operations. Periodic audits are conducted across all divisions by internal and external teams. The Audit Committee of the Board regularly reviews the internal audit findings and implementation of recommendations. Continuous improvements in control systems are undertaken to align with emerging risks and digital workflows. Mr. Venkateswara Rao, a qualified and experienced Chartered Accountant has been appointed as the Internal Auditor for taking care of the Internal controls and accuracy.

## **7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE :**

During FY 2024-25, the Company achieved a total income of ₹8,760.23 lakhs, with revenue from operations at ₹8,663.59 lakhs. The Leather segment continued to be the largest contributor at ₹6,010.29 lakhs, followed by Food (₹1,336.29 lakhs) and Fertilizers ₹1,121.62 lakhs.

Despite healthy revenue growth, the Company recorded a loss before tax of ₹1,616.82 lakhs, primarily on account of higher operating expenses, segmental losses in Leather, Food, and Others, and finance costs of ₹189.99 lakhs. The Fertilizer segment, however,

registered a positive contribution of ₹100.82 lakhs, reflecting its potential as a stable revenue driver.

Operationally, the Company undertook significant strategic initiatives during the year to strengthen its long-term growth prospects. Acquisition of Parveen Roadways to enhance logistics capabilities, and expansion of the Kickers retail brand through exclusive showrooms and multi-channel presence.

The management believes that the strategic diversification into footwear manufacturing, logistics, and branded retail, alongside the established trading businesses, will enhance operational efficiency and lead to improved financial performance in the coming years. The details of financial performance and operational performance is available in financial statements.

**8. HUMAN RESOURCE DEVELOPMENT :** KICL continues to place strong emphasis on human capital development across business units. During the year, the Company undertook skill enhancement programs for frontline retail and restaurant staff and initiated leadership training modules in manufacturing and editorial functions. The industrial relations environment remained stable across all units. The Company has adopted a hybrid work model for the publishing division and strengthened its HR digital systems to enhance employee engagement and performance tracking.

Total number of employees as on 31<sup>st</sup> March 2025 was 189.

## **9. KEY FINANCIAL RATIOS:**

Description	U/M	2024-25	2023-24	Remarks
Debtors Turnover	Days	8.99	38.9	Due to Increase in Revenue from operation, ratio has been decreased as compared to previous year
Inventory Turnover	Days	20.03	41.04	Due to increase in sales and purchases, COGS has been increased and as a effect ratio is decreased
Interest coverage ratio	Times	-7.51	12.7	Due to loss in CY, ratio becomes negative
Current ratio	Times	27.31	0.27	Due to decrease in liabilities
Debt Equity ratio	-	0.20	7.02	Decrease in D/E ratio is due to increase in other payables in current liabilities and decrease in share capital
Operating Profit Margin	%	17	33	Due to Increase in Revenue from operation, ratio has been decreased as compared to previous year
Net Profit Margin %	%	-20	232	Due to loss in CY, ratio becomes negative
Return on Net worth	%	-35	508	Due to loss in CY, ratio becomes negative

By Order of the Board of Directors  
**For KOTHARI INDUSTRIAL CORPORATION LIMITED**  
**J RAFIQ AHMED**  
**Executive Chairman &**  
**Managing Director**  
**DIN : 02861341**

Place : Chennai  
Date : 26.08.2025

**Details under Section 197(12) Of the Companies Act, 2013 Read With Rule 5(1) Of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

- (i) The ratio of the remuneration of each Director to the median employee's remuneration for the financial year and such other details: No remuneration was received by any directors except Managing Director in the company during the financial year 2024-25. Mr. Anburaj received only sitting fees. Therefore, the ratio of the remuneration of Managing Director to the median remuneration of the employees during the financial year 2024-25 is 61.19:1.
- (ii) There is no percentage increase in remuneration of each director, Chief Executive Officer, Manager, except Company Secretary & Chief Financial Officer, during the financial year 2024-25.
- No remuneration received by the director except Mr. Rafiq Ahmed and there is no increase in remuneration of Mr. Rafiq Ahmed. Mr. Anburaj received only sitting fees.
  - There is no Chief Executive Officer in the financial year, so the question of percentage increase in remuneration of Chief Executive Officer doesn't arise.
  - There is 44.12 % increase of remuneration of CS & 15% increase of remuneration of CFO in the financial year.
- (iii) The percentage increase in the median remuneration of employees in the financial year: 21.45%
- (iv) There were 189, permanent employees on the rolls of the Company as on 31.03.2025.

- (v) Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentage increase in the salaries of employees other than the Managerial Personnel in the last financial year is 75.29% and there is 44.12% increase of remuneration of CS & 15% increase of remuneration of CFO in the financial year.

**Justification for increases in managerial remuneration:**

- CS (44.12%): increase reflects expanded compliance, statutory and project coordination responsibilities linked to onboarding and delivery of large government projects, and retention of a senior compliance officer.
- CFO (15%): increase reflects performance appraisal, additional financial oversight for new lines of business (geospatial services) and scalability of financial controls.

**Exceptional circumstances:**

There are **no exceptional circumstances** that would justify an unusual or disproportionate rise in managerial remuneration. The increments to managerial personnel are proportionate to their roles, responsibilities and market benchmarks, and are lower than the average increase given to the non-managerial workforce.

- (vi) It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company.

By Order of the Board of Directors  
**For KOTHARI INDUSTRIAL CORPORATION LIMITED**

**J RAFIQ AHMED**  
**Executive Chairman &**  
**Managing Director**  
**DIN : 02861341**

**Place : Chennai**  
**Date : 26.08.2025**

**Annexure III**

**Form No.MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR 2024-25**

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

To

The Members,

**Kothari Industrial Corporation Limited**

(CIN - L74110TN1970PLC005865)

Registered Office: Kothari Buildings,

114, Mahatma Gandhi Salai,

Nungambakkam,

Chennai 600034.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kothari Industrial Corporation Ltd (CIN: L74110TN1970PLC005865) (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents, and authorized representatives during the conduct of secretarial audit, we hereby report:

That in our opinion, the company has, during the period covering the financial year 2024-25 has complied with the applicable statutory provisions listed herein and also the company has proper Board Processes and Compliance Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year 2024-25 with respect to the provisions of-

- i. The Companies Act, 2013 (the Act) and the Rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Rules framed there under;

- iv. Foreign Exchange Management Act, 1999, and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI ACT) to the extent applicable to the company:

- a. The securities and Exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d. The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f. The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations 1993;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, SEBI Regulations including LODR Regulations as under:

- i. The company's shares continue to be under suspension mode with Calcutta Stock Exchange and the suspension in trading of equity shares from BSE has been revoked w.e.f March 28, 2024.

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

- i. Secretarial Standards issued by “The Institute of Company Secretaries of India”;
- ii. The Listing agreement entered into by the company with BSE read with the SEBI (Listing obligations and Disclosure Requirements) Regulation, 2015.

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

<b>Nature of Non-Compliances</b>	<b>Applicable Act, Rules, Regulations, Provisions, etc.</b>
The total promoter and Promoter group shareholding is not fully Dematerialized.	Regulations 31(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

We further report that:

- i. The Board of Directors of the company is duly constituted with proper balance of Executive, Non-Executive, and Independent Directors.

- ii. Adequate notice is given to all Directors to schedule the meetings, agenda and detailed notes on agenda were sent to directors at shorter notice and 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. Majority decision is carried through while the dissenting members’ views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For SANTOSH SENAPATI & CO.,  
Company Secretaries**

**CS. SANTOSH KUMAR SENAPATI  
Company Secretary  
(M.No. 11548)  
(C.P. No. 16782)**

**Place : Chennai**

**Date : 19/08/2025 Peer Review Certificate No. 2789/2022**

**UDIN: F011548G001031644**

Note: 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.

**Annexure-A**

**(Our report of even date is to be read along with this Annexure-A)**

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 of the provisions of the corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For SANTOSH SENAPATI & CO.,  
Company Secretaries**

**CS. SANTOSH KUMAR SENAPATI  
Company Secretary  
(M.No. 11548)  
(C.P. No. 16782)**

**Peer Review Certificate No. 2789/2022  
UDIN : F011548G001031644**

**Place : Chennai  
Date : 19/08/2025**

**Annexure IV**
**Form 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 transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis: NIL
2. Details of contracts or arrangements or transactions at Arm's length basis.

<b>Name of the Related party and nature of relationship</b>	<b>Nature of contracts/ arrangements/ transaction</b>	<b>Duration of the contracts/ arrangements/ transaction</b>	<b>Salient terms of the contracts or arrangements or transaction including the value, if any</b>	<b>Date of approval by the Board, If any</b>	<b>Amount paid as advances, if any</b>
Topguard International Security Force Private Limited-The Executive Chairman and Managing Director of the company is a Director in the Related Party Company.	Security and food services	2024-2025	Value of transactions not exceeding of Rs. 40 lakhs for the financial year 2024-2025.	14.02.2024	Nil
Phoenix Kothari footwear Limited- The Executive Chairman and Managing Director of the company is a Director in the Related Party Company.	Maintenance charge	2024-2025	Value of transactions not exceeding of Rs. 1 crore for the financial year 2024-2025.	14.02.2024	Nil
JR One Footwear Private Limited- The Executive Chairman and Managing Director of the company is a Director in the Related Party Company.	Food service	2024-2025	Value of transactions not exceeding of Rs. 5 crore for the financial year 2024-2025.	14.02.2024	Nil
JR Trading & Services W.L.L- Mr. J. Rafiq Ahmed, Executive Chairman and Managing Director of Kothari Industrial Corporation Limited is a partner and having shareholding interest in JR Trading & Services W.L.L.	Supply of footwear products	2024-2025	Value of transactions not exceeding Rs. 1 crore for the financial year 2024-2025.	17.05.2025	Nil

By Order of the Board of Directors  
**For KOTHARI INDUSTRIAL CORPORATION LIMITED**

**J RAFIQ AHMED**  
**Executive Chairman &**  
**Managing Director**  
**DIN : 02861341**

**Date : 26.08.2025**  
**Place : Chennai**

**Annexure V****CORPORATE GOVERNANCE REPORT****1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

Corporate governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensures accountability, transparency and fairness in all transactions in the widest sense and systems and practices are commitment to values, ethical business conduct, accountability, transparency and compliance of laws and acceptance by management of the inalienable rights of shareholders as the true owners of the Company.

The objective is to meet;

- Stakeholders' aspirations and societal expectations.
- Good governance practices stem from the dynamic culture and positive mindset of the organization.
- Infusion of best expertise in the Board;
- Consistent monitoring and improvement of the human and physical resources;
- Board/ Committee meetings at regular intervals to keep the Board informed of the recent happenings.

Your Company believes that good corporate governance contemplates that corporate actions balance the interests of all stakeholders and satisfy the tests of accountability and transparency. The Company adopts a model to adhere to all the rules and regulations of the statutory authorities. Duties and statutory obligations are discharged in a fair and transparent manner with the object of maximizing the value of the shareholders and stakeholders.

**2. BOARD OF DIRECTORS:****a. COMPOSITION AND CATEGORY OF BOARD OF DIRECTORS:**

The Company as of 31.03.2025 has in all 4 Directors with considerable professional experience in divergent areas connected with corporate functioning. The Board of Directors of the Company comprises of Executive, Non-Executive and Independent Directors. In all there are Four Directors, one Executive Director, one Non- executive and 2 Non-executive Director cum Independent Directors. The Independent Directors on the Board are competent and highly respected professionals from their respective fields and have vast experience in Marketing, finance, other allied fields which enable them to contribute effectively to the Company in their capacity as members of the Board. The day to day management of the Company is conducted by Managing Director subject to supervisions and control of the Board. None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the companies in which he/she is a Director.

Composition of the Board of Directors as on 31.03.2025 of this Report is mentioned below:

<b>Name of the Director</b>	<b>Designation</b>	<b>Category</b>
Mr. J. Rafiq Ahmed	Executive Chairman & Managing Director	Executive Director
Mr. D Gunasekaran	Director	Independent Director
Mrs. Thoopjlamudu Arulpathy Rajalaxmi	Director	Non-Executive Non-Independent Director
Mr. Velayutham Anburaj*	Director	Independent Director

\* Mr. Pradip D Kothari has resigned from the directorship with effect from the closing hours of 18.02.2025 and Mr.Dilip Machado has completed his 2nd terms and retired as on 30.03.2025 respectively. Mr. Velayutham Anburaj was appointed as the Non-Executive cum Independent Director of the company with effect from 24.01.2025.

**b. ATTENDANCE OF DIRECTORS AT BOARD MEETINGS PERIOD ENDED 31.03.2025 AND AT THE LAST ANNUAL GENERAL MEETING, OUTSIDE DIRECTORSHIPS AND BOARD COMMITTEE MEMBERSHIPS AND NUMBER OF SHARES HELD AS ON 31.03.2025:**

Details of the attendance at the Board Meetings during the financial year and at the last Annual General Meeting and also the number of Directorships held by Directors is mentioned below:

Name	Category	Number of Directorship in other Companies	No. of Board Meetings attended during period ended 31/03/2025	No. of Committee Membership in other Companies		Attendance Last AGM on 30/09/2024	No. of Shares held
				Chairman	Member		
Mr. J Rafiq Ahmed	Executive Chairman & Managing Director	17	11	Nil	Nil	Yes	4,15,90,734
Mr. D Gunasekaran	Non Executive Independent Directors	2	11	1	Nil	Yes	1
Mrs.Thoopjlamudu Arulpathy Rajalaxmi	Non Executive Non-Independent Directors	1	11	Nil	Nil	Yes	Nil
Mr. Velayutham Anburaj	Non Executive Independent Directors	3	2	1	1	NA	Nil

**Notes:**

- Other directorships also include Private Limited Companies.
- Only membership in Audit Committee, Stakeholders' Relationship Committee have been reckoned for Committee Memberships
- The time gap between the Board Meetings was within the prescribed time limits.
- None of the other directors are related inter se in any manner.

**c. Number of meetings of the board of directors held and dates on which held:**

During the FY 2024-2025, 11 meetings of the Board of Directors of the Company were held i.e., on 27.05.2024\*, 29.07.2024, 14.08.2024, 31.08.2024, 14.11.2024, 11.12.2024, 20.01.2025, 24.01.2025, 14.02.2025, 19.02.2025 & 27.03.2025. The gap between two meetings did not exceed 120 days.

## Kothari Industrial Corporation Limited

None of the Directors on the Board is a member of more than 10 committees or act as Chairperson of more than 5 committees across all Listed Companies and Unlisted Public Limited Companies in which he / she is a Director.

\*The Board meeting started on 27.05.2024 and continued till 29.05.2024 due to unavoidable circumstances and therefore will be considered as a single meeting as per SS-1.

### **Names of other Listed Companies in which the Directors of the Company is a Director and their category:**

Sl. No.	Name of the Directors	Name of Other Listed Company	Category
1	Mr. J Rafiq Ahmed	NIL	NA
2	Mr. D Gunasekaran	NIL	NA
3	Mrs.Thooplamudu Arulpathy Rajalaxmi	NIL	NA
4	Mr. Velayutham Anburaj*	NIL	NA

\*Mr. Pradip D Kothari has resigned from the directorship with effect from the closing hours of 18.02.2025 and Mr.Dilip Machado has completed his second term and retired as on 30.03.2025 respectively. Mr. Velayutham Anburaj was appointed as the Non-Executive cum Independent Director of the company with effect from 24.01.2025.

### **f. Familiarization Programme for Independent Directors:**

Every new Independent Director at the time of appointment is issued a detailed Appointment Letter incorporating the role, duties and responsibilities, remuneration and performance evaluation process, Code of Conduct and obligations on disclosures.

Further every new Independent Director is provided with copy of latest Annual Report, the Code of Conduct, the Code of Conduct for Internal Procedures and to Regulate, Monitor and Report Trading by Insiders ("Code of Conduct - PIT") and the Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information (the "Fair Practice Code"), Tentative Schedule of upcoming Board and Committee meetings.

The Company through its Executive Directors / Key Managerial Personnel conduct programs / presentations periodically to familiarize the Independent Directors with the strategy, operations and functions of the Company.

Thus such programs / presentations provides an opportunity to the Independent Directors to interact with the senior leadership team of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time.

Details of familiarization programme conducted for the Independent directors are available on the Company's website [www.kotharis.in](http://www.kotharis.in).

**g. A chart or a matrix setting out the skills/ expertise/competence of the Board of Directors specifying the following:**

The Board has identified the following skills/ expertise/ competencies fundamental for the effective functioning of the Company which is currently available with the Board:

Skills	Description
Leadership and strategy and planning	Experience of playing leadership roles in large businesses, with competencies around strategy development & implementation, sales & marketing, business administration/ operations and Organizations and people Management.
Financial performance	Practical knowledge and experience in corporate Finance, accounting and reporting and internal financial control, including strong ability to assess the financial impact of decision making and ensure profitable and sustainable growth.
Sales and Marketing	Knowledge in Relationship building, Time management, product knowledge, collaboration, social selling and Business communication.
Governance	Experience in directing the management in the best interests of the Company and its stakeholders and in upholding high standards of governance.

The skills/ expertise/competence matrix of the Board of Directors with names are as follows:

Director	Leadership and Strategy and Planning	Financial Performance	Sales and Marketing	Governance
Mr. J Rafiq Ahmed	✓	✓	✓	✓
Mr. D Gunasekaran	✓	✓	✓	✓
Mrs. Thoopjlamudu Arulpathy Rajalaxmi	✓	✓	✓	✓
Mr. Velayutham Anburaj	✓	✓	✓	✓

Considering the skills, expertise and competencies required for effective functioning and discharge of Board's duties, your Board is satisfied with the present composition of the Board of Directors. In the opinion of the Board, the Independent Directors fulfill the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

Mr.Dilip Machado, Non-Executive cum Independent Director retired from his directorship with effect from the closing hours of 30.03.2025 due to completion of his tenure along with a confirmation as received by him that there are no other material reasons other than those provided.

**C. Committee of the Board:** With a view to have a more focused attention on business and for better governance and accountability, there are three committees of the board namely: Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee. The Minutes of the Committee Meetings are tabled at the subsequent Board Meetings.

## Kothari Industrial Corporation Limited

### 3. Audit Committee

#### Composition, name of members and chairperson:

The Audit Committee Comprises 3 members, which includes one Non-executive Director and two Non-Executive Independent Directors. The members of the Committee are as follows:

Mr. D Gunasekaran	Chairman	Independent Director
Mr. Velayutham Anburaj*	Member	Independent Director
Mrs. T.A. Rajalaxmi	Member	Non-Executive Director cum Non Independent Director

\*Mr. Pradip D. Kothari has resigned from the office of Director and ceased to be a member of the Audit Committee with effect from the close of business hours on 18.02.2025. Further, Mr. Dilip Machado has completed his second term and retired from the office of Director as well as ceased to be a member of the Audit Committee with effect from 30.03.2025. Mr. Velayutham Anburaj was appointed as the Non-Executive cum Independent Director of the company with effect from 24.01.2025. Mr. Velayutham Anburaj was appointed as a member of the Audit Committee vide reconstitution w.e.f 19.02.2025. After Mr.Dilip Machado retirement and cessation from the Audit Committee, Mrs. T.A. Rajalaxmi was appointed as a member of the Audit Committee vide reconstitution with effect from 31.03.2025.

#### Meetings and attendance during the year:

During the financial year under review, Audit Committee Meetings were held 6 times in a year viz., on 27.05.2024\*, 14.08.2024, 14.11.2024, 20.01.2025, 14.02.2025 & 19.02.2025 and the attendance of the members at the Audit Committee meetings was as follows:

Members	Attendance particulars	
	Meeting Held During the year	Meeting Attended During the year
Mr. D Gunasekaran	6	6
Mr. Velayutham Anburaj*	6	NA
Mrs. T.A. Rajalaxmi*	6	NA
Mr. Pradip D Kothari*	6	4
Mr. Dilip Machado*	6	6

\* Mr. Pradip D. Kothari has resigned from the office of Director and ceased to be a member of the Audit Committee with effect from the close of business hours on 18.02.2025. Further, Mr. Dilip Machado has completed his second term and retired from the office of Director as well as ceased to be a member of the Audit Committee with effect from 30.03.2025. Mr. Velayutham Anburaj was appointed as the Non-Executive cum Independent Director of the company with effect from 24.01.2025. Mr. Velayutham Anburaj was appointed as a member of the Audit Committee vide reconstitution w.e.f 19.02.2025 after the resignation of Mr. Pradip D Kothari. After Mr.Dilip Machado retirement and cessation from the Audit Committee, Mrs. T.A. Rajalaxmi was appointed as a member of the Audit Committee vide reconstitution with effect from 31.03.2025.

The Chairman of the Audit Committee was present at the Annual General Meeting of the company held on 30<sup>th</sup> September, 2024. The Audit Committee acts as a link between the Board of Directors and the Statutory and Internal Auditors. The role and terms of reference of the Audit Committee are governed by a Charter which is in line with the regulatory requirements mandated by the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All the members of Audit Committee are financially literate and have relevant finance / accounting exposure. The Managing Director, Whole Time Director and Chief Financial Officer are permanent invitees to the meetings of the committee. The Statutory Auditor and Internal Auditors were present at Audit Committee meetings. The Company Secretary acts as the Secretary to the Committee. The composition of the Audit Committee is as per Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### 4. Nomination and Remuneration Committee

The Nomination and Remuneration (N&R) Committee has framed a policy which, inter alia, deals with the manner of selection of Board of Directors, Managing Director / KMP's / Senior Management and their remuneration. The Chairman of the Nomination and Remuneration Committee was present at the Annual General Meeting of the company held on 30th September, 2024. The Company Secretary is the Secretary to the Committee.

##### Composition, name of members and chairperson:

The Committee Comprises 3 members, which includes two Independent Directors and one Non-Executive Director. The members of the Committee are as follows:

Mr. D Gunasekaran	Chairman	Independent Director
Mr. Velayutham Anburaj*	Member	Independent Director
Mrs.Thooplamudu Arulpathy Rajalaxmi	Member	Non-Executive Director cum Non Independent Director

\*Mr. Velayutham Anburaj was appointed as the Non-Executive cum Independent Director of the company with effect from 24.01.2025. Mr. Velayutham Anburaj was appointed as a member of the Nomination and Remuneration Committee vide reconstitution with effect from 31.03.2025, consequent to the retirement of Mr. Dilip Machado, who also ceased to be a member of the Committee.

##### Meetings and attendance during the year:

During the financial year under review, Nomination and Remuneration Committee Meetings was held on 24.01.2025, 19.02.2025 & 27.03.2025 viz., the attendance of the members at the Nomination and Remuneration Committee meeting was as follows:

Name of the Director	Attendance particulars	
	Meeting Held During the year	Meeting Attended During the year
Mr. Dilip Machado*	3	3
Mr. D Gunasekaran	3	3
Mrs. Thooplamudu Arulpathy Rajalaxmi	3	3
Mr. Velayutham Anburaj*	3	NA

\* Mr. Velayutham Anburaj was appointed as the Non-Executive cum Independent Director of the company with effect from 24.01.2025. Mr. Velayutham Anburaj was appointed as a member of the Nomination and Remuneration Committee vide reconstitution with effect from 31.03.2025, consequent to the retirement of Mr. Dilip Machado, who also ceased to be a member of the Committee.

##### Performance evaluation criteria for independent directors:

The criteria for evaluation of the Independent Directors will be attendance, participation in deliberations, understanding the Company's business and that of the industry and in guiding the Company in decisions affecting the business and additionally based on the roles and responsibilities as specified in Schedule IV of the Companies Act, 2013. A formal evaluation mechanism has been adopted for evaluating the performance of the Board, Committees thereof, individual Directors and the chairman of the Board.

#### 5. Remuneration Policy

##### Policy for selection and Appointment of Directors / KMP / Senior Management and their Remuneration

The Nomination and Remuneration (N&R) Committee has framed a policy which, inter alia, deals with the manner of selection of Board of Directors, Managing Director / KMP's / Senior Management and their remuneration.

**Criteria of selection of Non - Executive Directors.**

- (a) The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- (b) The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director. . (i) Qualification, expertise and experience of the Directors in their respective fields; (ii) Personal, Professional or business standing; (iii) Diversity of the Board.
- (c) In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his/her engagement level:

**Criteria for Performance evaluation framed by N & R Committee**

- Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee shall lay down the criteria for the formal annual evaluation of Board, Committees and Individual Directors.
- Pursuant to the above requirements, the Nomination and Remuneration Committee has framed a format inter alia containing attendance & participation at meetings, inputs provided & its impact on the company whether positive or adverse etc. for the Annual Evaluation of the performance of the Board, individual Directors and its Committees. Thus, Nomination and Remuneration Committee recommends the devised format to the Board to apply while conducting the Annual Evaluation.

A Policy on remuneration of Directors, Key Managerial Personnel and Senior Management and other staff was put in place by Nomination and Remuneration Committee and approved by the Board of Directors. The remuneration policy is posted in the website [www.kotharis.in](http://www.kotharis.in).

Remuneration was paid to Managing Director. The Non-Executive Directors didn't draw any remuneration in the capacity of Director from the Company except the Independent Directors drawing sitting fees for attending the meetings of the Board and committees. The Remuneration Policy approved by the Board of Directors is posted on the website of the Company viz. [www.kotharis.in](http://www.kotharis.in).

Detail information of Directors Remuneration / Sitting fees paid during the financial year 2024-2025 as follows:

Name of the Director	Category	Remuneration (Basic)	Sitting fees	Total
Mr. Rafiq Ahmed	Executive Chairman and Managing Director	Rs. 60,00,000/-	NIL	Rs. 60,00,000/-
Mr. D Gunasekaran	Independent Director	NIL	NIL	NIL
Mrs.Thoopjlamudu Arulpathy Rajalaxmi	Non-Executive / Non Independent Director	NIL	NIL	NIL
Mr. Velayutham Anburaj	Independent Director	NIL	Rs. 40,000	NIL

**6. Stakeholders' Relationship Committee:**

The Stakeholders Relationship Committee carries out the functions of transmissions, duplicate share certificates, dematerialisation of shares and all other issues pertaining to shares and also to redress investor grievances like non-receipt of dividend warrants, non-receipt of share certificates, non-receipt of annual reports etc. In order to expedite the process, the Board of Directors has also delegated the authority severally to the Stakeholders Relationship Committee and the Company Secretary to approve the share transfers / transmissions and accordingly, the Stakeholders Relationship Committee or the Company Secretary approve the transmission of shares generally on a fortnight basis. The Committee also reviews the performance of the Registrar and Share Transfer Agents.

### Composition, name of members and chairperson:

The Committee Comprises 3 members, which includes two Independent Directors and one Non-Executive director. The members of the Committee are as follows:

Mr. D Gunasekaran	Chairman	Independent Director
Mrs.Thoopijlamudu Arulpathy Rajalaxmi	Member	Non-Executive Director
Mr. Velayutham Anburaj*	Member	Non Executive Director cum Non Independent Director

\* Mr. Velayutham Anburaj was appointed as the Non-Executive cum Independent Director of the company with effect from 24.01.2025. Mr. Velayutham Anburaj was appointed as a member of the Stakeholders' Relationship Committee vide reconstitution with effect from 31.03.2025, consequent to the retirement of Mr. Dilip Machado, who also ceased to be a member of the Committee.

During the financial year under review, Stakeholder Relationship Committee Meetings were held 32 times in a year and was held on 02.04.2024, 24.04.2024, 08.05.2024, 16.05.2024, 06.06.2024, 13.07.2024, 26.07.2024, 12.08.2024, 12.09.2024, 04.10.2024, 05.10.2024, 19.10.2024, 24.10.2024, 04.11.2024, 08.11.2024, 13.11.2024, 29.11.2024, 06.12.2024, 02.01.2025, 06.01.2025, 10.01.2025, 20.01.2025, 28.01.2025, 05.02.2025, 10.02.2025, 14.02.2025, 18.02.2025, 21.02.2025, 26.02.2025, 05.03.2025, 18.03.2025 & 27.03.2025 viz. the attendance of the members at the Stakeholder Relationship Committee meeting was as follows:

Name of the Member	Attendance particulars	
	Meeting Held During the year	Meeting Attended During the year
Mr. Dilip Machado*	32	32
Mr. D Gunasekaran	32	32
Mrs. Thoopijlamudu Arulpathy Rajalaxmi	32	32
Mr. Velayutham Anburaj*	32	NA

\* Mr. Velayutham Anburaj was appointed as the Non-Executive cum Independent Director of the company with effect from 24.01.2025. Mr. Velayutham Anburaj was appointed as a member of the Stakeholders' Relationship Committee vide reconstitution with effect from 31.03.2025, consequent to the retirement of Mr. Dilip Machado, who also ceased to be a member of the Committee.

The Chairperson of the Stakeholders' Relationship Committee was present at the previous Annual General Meeting of the company held on 30<sup>th</sup> September, 2024. Mr. Anil Kumar Padhiali is the Company secretary and compliance officer of the Company.

No. of complaints received during the period from 01-04-2024 to 31-03-2025 were two in the Quarter ended 31<sup>st</sup> March, 2025 and the same has been disposed off in the same quarter.

Pursuant to SEBI LODR Regulations, 2015 the Company is processing investor complaints in a web-based complaints redress system "SCORES". Under this system, all complaints pertaining to companies are electronically sent through SCORES and the companies are required to view the complaints pending against them and submit Action Taken Report (ATRs) along with supporting documents electronically in SCORES.

All the requests and complaints received from the shareholders were attended to within the stipulated time and nothing was pending for disposal at the end of the year. Mr. Anil Kumar Padhiali, Company Secretary, is the Compliance Officer of the company. For any clarification / complaint the shareholders may contact the Secretarial Department at the registered office of the company.

## Kothari Industrial Corporation Limited

Also, an investor can initiate online dispute resolution through the ODR portal after the option to resolve complaint / dispute with the listed entity through the aforesaid available routes i.e. Raising the grievance with the listed entity / its RTA and SEBI SCORES are exhausted. The Online Dispute Resolution Portal named SMART ODR Portal- 'Securities Market Approach for Resolution through ODR' offers a user-friendly platform to file disputes for resolution through Online conciliation and online Arbitration. It enables investors to access Online Dispute Resolution Institutions for the resolution of their complaints. The weblink of the SMART ODR portal is <https://smartodr.in/>

### Senior Management:

The Senior Management comprises of the following Personnel of the Company and there was no change in the Senior Management during the financial year 2024 - 25.

Sl. No.	Name of the person	Designation
1.	Mr. Rafiq Ahmed	Executive Chairman & Managing Director
2.	Mr. Anil Kumar Padhiali	Company Secretary & Compliance Officer
3.	Mr. Hari Kishore Arikati	Chief Financial Officer

### 7. General Body meeting:

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

AGM for the Year	Date & Time	Venue
2023-2024	30.09.2024, Monday, 11.00 a.m	The Annual General meeting was held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").
2022-2023	30.09.2023, Saturday, 11.00 a.m	
2021-2022	27.09.2022, Tuesday, 11.00 a.m	

The details of Special Resolutions passed in AGM / EGM in the last 3 years are as follows:

Date of AGM/EGM	Whether any Special Resolution was passed	Particulars of Special Resolution passed
14.03.2025 (EGM)	Yes	a) To approve the issuance of 1,60,49,220 equity shares to Promoter and Non-promoters on a preferential basis.
15.02.2025 (EGM)	Yes	a) Alteration of Memorandum of Association(MOA) of the company.
		b) Alteration of Articles of Association(AOA) of the company.
		c) Appointment of Mr. Velayutham Anburaj(DIN:10836969) as an Independent Director of the company.
21.08.2024 (EGM)	Yes	a) Approval for issuance of Equity Shares for cash consideration on Preferential Basis.
30.09.2023 (AGM)	Yes	a) To authorize the sale of Equity Shares held by the Company in M/s. Kothari Marine International Limited.
		b) To authorize the sale of Equity Shares held by the Company in M/s. Kartiken Logistics Limited.

27.09.2022 (AGM)	Yes	a) To consider the continuation of Directorship of Mr. Pradip D Kothari (DIN: 01315682), Non-Executive Director who will attain the age of Seventy-five (75) in this Financial Year. b) Adoption of Memorandum of Association as per the provisions of the Companies Act, 2013. c) Change in Object Clause of the Company to be incorporated in the Memorandum of Association of the company. d) Adoption of Articles of Association as per the provisions of the Companies Act, 2013. e) Power to Borrow funds under section 180(1)(c) of the Companies Act 2013 and Creation of mortgage and / or charge on all or any of the movable and/or immovable properties of the Company. f) To make Investments, give loans, Guarantees and Provide Securities under section 186 of the Companies Act, 2013.
28.03.2023 (EGM)	Yes	a) To Sell/Transfer/dispose of the Land, Plant and Machinery and Building situated at Kathivakkam Village, Ennore, Chennai - 600057 to any Prospective Buyer(s) under section 180(1) (a) of the Companies Act 2013.

The details of Special Resolutions passed through Postal Ballot:-

2024-2025	11.01.2025	Postal Ballot	a) To approve the issuance of 3,52,00,000 equity shares to Promoter and Non-promoters on a preferential basis.
			b) To Increase The Authorised Share Capital Of The Company And Consequent Alternation Of Clause V Of Memorandum Of Association.

#### **Details of voting pattern, Procedure for postal ballot and person who conducted the postal ballot exercise:**

Weblink of the postal ballot results is: <https://kotharis.in/wp-content/uploads/2025/01/REPORT.pdf>

#### **8. Means of Communication:**

Quarterly / half yearly results are disclosed to Stock Exchanges and also published in daily newspapers viz., Financial express (in English) and Makkal Kural (Vernacular). The Quarterly / half yearly results are displayed on the Company's website at [www.kotharis.in](http://www.kotharis.in). The Company provides information to the stock exchanges as per the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The company ensures periodical updating of its website. No presentations were made to institutional investors / analysts.

#### **9. General Shareholder Information:**

##### **a) Annual General Meeting:**

<b>Day, Date and Time</b>	Friday, 26th September 2025 @ 11:00 AM
<b>Venue</b>	The Annual General meeting will be held through Video Conferencing ("VC") / Other Audio - Visual Means ("OAVM"). The Registered office i.e. No.114/117, Kothari Buildings, Mahatma Gandhi Salai, Nungambakkam, Chennai - 600 034 shall be deemed to be venue of the meeting.

## Kothari Industrial Corporation Limited

### b) Financial Calendar of the Company:

The Financial year covers the period from 1<sup>st</sup> April to 31<sup>st</sup> March

Results for Quarter ending 30 <sup>th</sup> June, 2025	First fortnight of August, 2025
Results for Quarter ending 30 <sup>th</sup> September, 2025	First fortnight of November, 2025
Results for Quarter ending 31 <sup>st</sup> December, 2025	First fortnight of February, 2026
Results for Quarter ending 31 <sup>st</sup> March, 2026	Last Week of May, 2026

**Book Closure** - The period of Book Closure is fixed from 20th September 2025 to, 26th September 2025 (both days inclusive)

c) **Dividend payment date:** NA. Company has not declared dividend during the financial year.

### d) Listing of Shares:

The equity shares (**ISIN: INE972A01020**) of the Company are listed on:

Bombay Stock Exchange Ltd.,

(BSE) Phiroze Jeejeebhoy Towers,

Dalal Street, Mumbai 400 001.

Bombay Stock Exchange stock code- 509732

Listing Fees for the financial year 2025-2026 has been paid.

The equity shares also listed on:

Calcutta Stock Exchange Limited\*

7, Lyons Range, Kolkata-700001

Calcutta Stock Exchange stock code- 021227

Listing fees not been paid since 1998.

e) The securities are suspended from trading on Calcutta Stock Exchange Limited due to non-payment of Listing fees since 1998 and the same has been disclosed in the director's report.

### f) Registrars and Transfer Agents:

M/s. Integrated Registry Management Services Pvt. Ltd.,

II Floor, "Kences Towers",

1, Ramakrishna Street,, off North Usman Road,

T.Nagar, Chennai 600 017.

### g) Share Transfer System:

The applications for transfers, transmission and transposition are received by the Company at its Registered Office address at Chennai or at M/s. Integrated Registry Management Services Pvt. Ltd, Registrar and Share Transfer Agents (RTA) of the Company. As the Company's shares are currently traded in dematerialized form, the transfers are processed and approved by NSDL/CDSL in the electronic form through its Depository Participants.

#### h) (i) Distribution of Shareholding as on 31<sup>st</sup> March, 2025:

NO. OF SHARES	NO. OF HOLDERS	HOLDERS %	SHARES	SHARES %
Upto 5000	51712	99.64	4787749	5.164
5001 - 10000	28	0.054	195682	0.211
10001 - 20000	28	0.054	409217	0.441
20001 - 30000	15	0.029	373915	0.403
30001 - 40000	4	0.008	139784	0.151
40001 - 50000	24	0.048	1150948	1.295
50001 - 100000	22	0.040	1901453	1.997
Above 100001	67	0.129	83759357	90.34
<b>TOTAL</b>	<b>51900</b>	<b>100.00</b>	<b>92718105</b>	<b>100.00</b>

#### (ii) Shareholding pattern as on 31<sup>st</sup> March, 2025

Sl. No.	Category	No. of shares	%
<b>A</b>	<b>Promoters</b>	4,42,68,772	47.75
<b>B</b>	<b>Public shareholding</b>		
<b>1</b>	<b>Institutions</b>		
a)	Mutual funds	133580	0.14
b)	Financial Institutions/Banks	7511	0.01
c)	Insurance companies	2202100	2.38
d)	NBFC	20	0.00
<b>2</b>	Central Government/ State Government(s)/ President of India	0	0.00
<b>3</b>	<b>Institutions-Foreign</b>	50	0.00
<b>4</b>	<b>Non Institutions</b>		
a)	Resident	3,55,89,313	38.38
b)	Bodies Corporate	2203888	2.38
c)	HUF	42225	0.05
d)	Trusts	1256	0.00
e)	NRI	1194847	0.35
f)	Foreign Companies	7056000	7.61
g)	LLP	3105	0.00
h)	Margin Trading Account-Individual	6658	0.01
i)	Corporate Client Collateral Account	230	0.00
j)	Body Corporate-Client Collateral Account	70	0.00
k)	Corporate Body-Limited Liability Partnership	8450	0.01
l)	Resident-Stock Broker Proprietary	30	0.00
	<b>Total</b>	<b>9,27,18,105</b>	<b>100.00</b>

**(l) Dematerialization of Shares and Liquidity:**

The Company's Equity Shares are in Demat trading segment and the Company had established connectivity with both NSDL & CDSL by signing the necessary agreements.

**Procedures for dematerialization/ re-materialization of Equity Shares:-**

Shareholders seeking demat/ remat of their shares need to approach their Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificates to Registrar and Share Transfer Agents of the Company. Upon receipt of the request and share certificates, the Registrar will verify the same. Upon verification, the Registrar will request NSDL/ CDSL to confirm the demat request. The demat account of the respective share holder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder. In case of remat, upon receipt of the request from the shareholder, the DP generates a request and verification of the same is done by the Registrar. The Registrar then requests NSDL or CDSL to confirm the same. Approval of the Company is being sought and equivalent numbers of shares are issued in physical form to the shareholder. The share certificates are dispatched 15 days from the date of issue of shares.

95.03% of the Company's Equity Share Capital of the Company is held in dematerialized form as on 31<sup>st</sup> March, 2025.

**(m) Outstanding GDR/ADR/Warrants/any other convertible instruments:**

The Company at present has not issued any GDRS, ADRS/ Warrants or any Convertible Instruments.

**(n) Commodity price risk or foreign exchange risk and hedging activities:**

The Company, being engaged in import and export of products, is exposed to fluctuations in commodity prices and foreign exchange rates. These risks are monitored on an ongoing basis and, wherever considered necessary, the Company will undertake appropriate hedging measures in accordance with its risk management policy.

**(o) Plant locations:**

Not Applicable

**(p) Address for correspondence:**

Investors may contact the Registrar and Share Transfer Agents (R&T) for matters related to shares and related issues at the following address:

**Integrated Registry Management Services Private Limited**

CIN No. U74900TN2015PTC101466

2nd Floor, "Kences Towers"

No. 1 Ramakrishna Street, North Usman Road

T Nagar, Chennai - 600 017

Phone: 044-28140801 to 28140803

Fax : 044-28142479

Email: yuvraj@integratedindia.in

Investors may also contact the company for matters related to shares and related issues at the following address:

Registered office address: Kothari Buildings, 114, Mahatma Gandhi Salai,  
Nungambakkam High Road, Chennai-600034  
Email Id: enquiries@kotharis.in, companysecretary@kotharis.in  
Phone: 044-28334565  
Website: www.kotharis.in

- (q) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad:**

Not applicable

## **10. Other Disclosures:**

### **a) Related Party Transactions:**

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year were in the ordinary course of business and on an arm's length pricing basis. In terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has adopted a Policy on Related party transactions and the same have been approved by the Board of Directors and the same is available on our website [www.kotharis.in](http://www.kotharis.in).

### **b) Compliances:**

Company has suspended for trading in the market since 2000 from Calcutta Stock Exchange. There was no penalty by stock exchanges during the financial year.

### **c) Vigil Mechanism / Whistle Blower Policy:**

The Company has established a vigil mechanism pursuant to the requirements of Section 177(9) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. No person has been denied access to the Chairman of the Audit Committee. The Policy on vigil mechanism is available on our website [www.kotharis.in](http://www.kotharis.in).

### **d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:**

The Company has complied with all the mandatory requirements of SEBI (LODR) Regulations, 2015 to the extent applicable and will ensure to comply with non-mandatory requirements in coming years.

### **e) Policy for Determining Material Subsidiaries:**

The Policy on Identification of Material Subsidiaries is available on our website [www.kotharis.in](http://www.kotharis.in)

### **f) Policy on Dealing with Related Party Transactions:**

The company has entered in to any contracts or arrangements with related parties referred to in section 188(1) of the Companies Act, 2013, during the financial year under review. The Policy on Related Party Transaction is available on our website [www.kotharis.in](http://www.kotharis.in).

## Kothari Industrial Corporation Limited

**g) Disclosure of commodity price risks and commodity hedging activities:**

Not Applicable

**h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):**

Type of Allotment	Date of issue	Amount Raised	Object of issue	Original Amount Allocated	Amount Utilized
Preferential allotment	29.07.2024	42,99,00,000	To settle part of the liabilities and other general corporate purposes of the company	42,99,00,000	42,99,00,000
Preferential allotment	11.12.2024	88,00,00,000	Meeting working capital requirements including funding ongoing and future projects and to settle part of the liabilities.	48,00,00,000	39,70,25,982
			Invest or acquire into various business opportunities for the growth of the company.	23,00,00,000	24,04,00,000
			General corporate purposes	17,00,00,000	12,45,55,400
Preferential allotment	19.02.2025	61,78,94,970	To invest in footwear company	40,00,00,000	40,00,00,000
			To Invest in the construction and setup of the fertilizer factory of the company	21,78,94,970	0

The above statement of utilization of funds is prepared as on 31<sup>st</sup> March, 2025.

*The Company confirms that as on 31.03.2025 there has been no deviation or variation in the use of proceeds of the Preferential Allotment from the objects stated in the explanatory statement to the notice of the shareholders' meetings and as disclosed to the Stock Exchange.*

**i) Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.**

M/s. Santosh Senapati & Co, Company Secretary in Practice, has issued a certificate as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority. The Certificate is enclosed which forms part of this report.

- j) **Where the Board had not accepted any recommendation of any committee of the Board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:**

No such instance occurred.

- k) **Statutory Auditor fee particulars:**

The particulars of total fee paid for the year 2024-2025 by the Company to the Statutory Auditor is given below:

SI No.	Description of the Service	Fees (Amount in Rs.)
1	Statutory Audit Fee	5,50,000/-

- l) **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

- a. number of complaints filed during the financial year: Nil
- b. number of complaints disposed of during the financial year: Not Applicable
- c. number of complaints pending as on end of the financial year: Not Applicable

- (m) **Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/ companies in which directors are interested by name and amount:**

During the year 2024-2025, the company has not granted any loans and advances in the nature of loans to any firms/companies in which directors are interested.

- (n) **Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:**

The company does not have any material subsidiaries, and therefore the aforementioned is not applicable.

## 11. **Instances of Noncompliance, if any of sub paras (2) to (10) above:**

The trading of securities of the company have been suspended on Calcutta Stock Exchange due to non-payment of listing fees of Calcutta stock exchange Limited since 1998. The Exchange has not charged any penalty during the financial year.

## 12. **The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted:**

As per para A of Part E of Schedule II of the Listing Regulations, a Non Executive Chairman of the Board may be entitled to maintain a Chairman's Office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties. The Chairman of the Company is an Executive Director and hence this provision is not applicable to us

## 13. **The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report:**

Your Company confirms compliance with corporate governance requirements specified in regulation 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The link of the same can be found in: <https://kotharis.in/wp-content/uploads/2025/04/Website-update-final.pdf>

**D. Code of Conduct for the Board of Directors and the Senior Management**

The standards for business conduct provide that the Directors and the Senior Management will uphold ethical values and legal standards as the company pursues its objectives, and that honesty and personal integrity will not be compromised under any circumstances. A copy of the said code of conduct is available on the website [www.kotharis.in](http://www.kotharis.in). As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and Senior Management personnel have affirmed compliance with the code of conduct for the financial year 2024 – 2025.

**Unclaimed Share Certificates:** In terms of the provisions of Regulation 39(4) read with Schedule VI of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, shares issued pursuant to the public issues or any other issue which remain unclaimed shall be credited to a demat suspense account with one of the depository participants opened by the Company for this purpose. Till date there is no such shares lying with company.

By Order of the Board of Directors  
**For KOTHARI INDUSTRIAL CORPORATION LIMITED**

**J RAFIQ AHMED**  
**Executive Chairman &**  
**Managing Director**  
**DIN : 02861341**

**Place : Chennai**  
**Date : 26.08.2025**

**DECLARATION BY MANAGING DIRECTOR ON CODE OF CONDUCT UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To  
The Members

I, hereby declare that to the best of my knowledge and information, all the Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the year ended March 31, 2025.

By Order of the Board of Directors  
**For KOTHARI INDUSTRIAL CORPORATION LIMITED**

**J RAFIQ AHMED**  
**Executive Chairman &**  
**Managing Director**  
**DIN : 02861341**

**Place : Chennai**  
**Date : 30.05.2025**

**CERTIFICATE UNDER REGULATION 17(8) & PART B OF SCHEDULE II OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

We, Rafiq Ahmed, Executive Chairman & Managing Director and Hari Kishore Arikati, Chief Financial Officer of the Company hereby confirm and certify that:

- (a) We have reviewed Financial Statements and Cash Flow Statements for the year ended 31st March 2025 and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee.
  - (i) significant changes, if any, in internal control over financial reporting during the year.
  - (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the Financial Statements; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

By Order of the Board of Directors  
**For KOTHARI INDUSTRIAL CORPORATION LIMITED**

**Place : Chennai**  
**Date : 30.05.2025**

**HARI KISHORE**  
**Chief Financial Officer**

**J RAFIQ AHMED**  
**Executive Chairman & Managing Director**  
**DIN : 02861341**

## **Kothari Industrial Corporation Limited**

### **CORPORATE GOVERNANCE CERTIFICATE**

To

**The shareholders of KOTHARI INDUSTRIAL CORPORATION LIMITED**

Chennai

I have examined the compliance of conditions of Corporate Governance by Kothari Industrial Corporation Limited, Chennai 600034 (the Company) for the year ended 31<sup>st</sup> March 2025 as per the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI (LODR) Regulations).

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

In my opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI (LODR), Regulations.

I further 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 the affairs of the company.

**For SANTOSH SENAPATI & CO.,  
Company Secretaries**

**CS. SANTOSH KUMAR SENAPATI  
Company Secretary  
(M.No. 11548)  
(C.P. No. 16782)**

**UDIN : F011548G001031811**

**Place : Chennai**

**Date : 19/08/2025**

# **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

**[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

To

The Members of  
Kothari Industrial Corporation Limited  
Kothari Buildings, 114/117, Nungambakkam High Road,  
Chennai-600034

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kothari Industrial Corporation Limited having CIN-L74110TN1970PLC005865 and having registered office at Kothari Buildings, Nungambakkam High Road, Chennai-600034 (herein after referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Subclause10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In my opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any other Statutory Authority.

SL. No.	Name of Director	DIN	Date of appointment in Company
1	Jinnah Moideen Ahmed Rafiq	02861341	21/04/2017
2	Velayutham Anburaj	10836969	24/01/2025
3	Gunasekaran	07326495	30/10/2015
4	Thooplamudu Arulpathy Rajalaxmi	08148628	11/06/2018

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

Place : Chennai  
Date : 19/08/2025

**For SANTOSH SENAPATI & CO.,**  
**Company Secretaries**  
**CS. SANTOSH KUMAR SENAPATI**  
**Company Secretary**  
**(M.No. 11548)**  
**(C.P. No. 16782)**  
**UDIN : F011548G001031776**

**Independent Auditor's Report**

**To the Members of**

**KOTHARI INDUSTRIAL CORPORATION LIMITED**

**Report on the Standalone Financial Statements**

**Qualified Opinion**

We have audited the accompanying financial statements of **KOTHARI INDUSTRIAL CORPORATION LIMITED** ("*the Company*"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the Loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date except for the matters as discussed in the basis of opinion para.

**Basis for Qualified Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

1. During the financial year 2023-24, the Company has sold its land and plant and machinery located in its factory in Ennore to Coromandel International Limited for Rs. 48,95,00,000 and Rs. 1,33,00,000 respectively. We were informed that the sale registration is still pending with the Sub Registrar office for assessment of market value for stamp duty purposes. Subject to this, the Company has computed capital gains on the sale consideration as per the sale deed. Pending the final order of the SRO, we are unable to comment on the correctness of the computation of the capital gains in line with the relevant provisions of the Income Tax Act 1961. To this extent, the provision for Current income tax may undergo revision depending on the outcome of the order of the competent authority against the writ petition. The Company plans to seek a valuation from the Income Tax Valuation Officer and pursue further steps, including appeals, if required.
2. For the land held by the Company in Gujarat valued at cost Rs. 1,85,174 we are unable to comment on the title of the Company as sufficient audit evidence viz sale deed/allotment letter was not provided. This was also reported by us in the previous year.
3. Year-end direct balance confirmation in respect of trade receivables Rs. 4,13,85,015, trade payables Rs. 3,39,58,473, vendor advances Rs. 7,19,50,858,

Continued...

advances from customers Rs. 1,63,37,105 and other advances/deposits Rs. 26,32,927 have not been provided for our verification. In the absence of such confirmations, we are unable to ascertain any consequential effect of errors/disputes, if any, that may impact the financial results for the year.

4. The Company has recorded its closing inventory at Rs. 7,18,53,535 as of 31<sup>st</sup> March 2025. In the absence of stock valuation reports, a detailed assessment of the valuation's correctness and its effect on financial reporting for FY 2024-25 could not be ascertained. Further, the Company does not have a system of identifying and recording non-moving and slow-moving inventories as a result of which we are unable to comment on the impact of such items in the accompanying financial statements.
5. Out of the total related party balances of Rs. 11,63,11,633, sufficient audit evidence for nature of such transactions by way of loan/deposit agreements, balance confirmations was not provided for Rs. 4,90,000. Hence, we are unable to substantiate the correctness and existence of these loans & advances.
6. Attention is drawn to Note No 41(7)(n), wherein a subsidy of Rs. 80 lakhs is carried in the books as receivable from the Government for which no documentary evidence was produced to us for verification. Also, the Company has not made a provision against such balance which is outstanding for more than 8 years. Hence, we are unable to comment on its realizability or otherwise and its accounting treatment in consonance with Ind AS 20.
7. The proceedings initiated by the Collector of Nilgiris for repossession of certain plots of land in Coonoor earmarked for public use has been challenged by

the company on a Write Petition filed before Madras High Court and the matter is pending adjudication. Decision, if any, by the Madras High Court which does not go in favour of the Company, could give rise to a liability and consequential loss, which could not be ascertained at the balance sheet date.

### **Emphasis of matter**

- 1) Attention is drawn to Note No 42 wherein the Company has Subsequent to the submission of financial results under Regulation 33 of SEBI (LODR) for FY 2024-25, the Company has regrouped certain items in the audited financial statements presented in this Annual Report. These changes have been made to enhance clarity and align with the requirements of Schedule III and Ind AS disclosures. The regrouping does not impact the previously reported loss or total equity for the year ended 31<sup>st</sup> March 2025.
- 2) Attention is drawn to Note No 4 wherein the Company has liquidated its stake in subsidiary company Kothari Marine International Limited as a result of which the Company has not presented consolidated financial statements.

Our opinion in the above matter remains unmodified.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

## Kothari Industrial Corporation Limited

Key Audit Matter	Principal Audit Procedures
The Evaluation of the Company as a going concern and the consequent classification of the assets as “held for sale”	The Company has been making losses in the previous years which has eroded the network and the current liabilities exceeds the current assets. The Company is in the process of expansion of business and has entered into business contracts with various customers in India and abroad. The Company has provided for our verification the contracts in support of the assumption of going concern on the basis of which the accompanying financial statements have been drawn.
Acquisition of stakes from Mr. Rafiq Ahmed	The Company has entered into an agreement to acquire 30% equity stake in Phoenix Kothari Footwear Limited (PKFL) from Mr. Rafiq Ahmed for a total consideration of ₹99.06 crores (7,80,02,900 shares at Rs 12.70 per share). PKFL is a reputed contract manufacturer for global footwear brands such as CROCS and Adidas. This strategic investment is aimed at strengthening KICL's global supply chain presence and supporting PKFL's growth and innovation initiatives in the footwear sector. We have considered the valuation report provided by an independent valuer for this purpose.
Acquisition of M/s Parveen Roadways, proprietorship of Mr Rafiq Ahmed.	The Company has acquired Parveen Roadways, a sole proprietorship firm engaged in logistics and railway-related services, for a consideration of ₹24.04 crores through a business transfer agreement dated 8th April 2025. The business includes over 100 vehicles (such as tippers, trailers, buses, and forklifts) and a workforce of approximately 500 employees. Major clients include Integral Coach Factory, Southern Railways, Port Trusts, and Aavin Milk Factory. We have considered the valuation report obtained from an independent valuer. However, since the effective date of the agreement and the subsequent addendum is 1th April 2025, the assets and liabilities of Parveen Roadways as on 31 <sup>st</sup> March 2025 will be accounted in the books of the Company in FY 2025-26.

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

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the 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 during the course of our audit or otherwise appears to be materially misstated.

## MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS 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 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. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company's financial reporting process.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

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

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

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.:
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

- d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- f. In our opinion and to the extent of information made available to us, managerial remuneration for the year ended 31<sup>st</sup> March 2025 that has been paid/provided by the Company is in accordance with the provisions of Section 197 read with Schedule V to the Act.
- g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses a modified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- h. 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 has disclosed the impact of pending litigations on its financial position in its financial statements – *Refer Note 41* of the standalone financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- i. In our opinion and to the best of our knowledge and belief and as represented to us by the Company, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed

funds or share premium or any other source or kind of funds) by the company to or in any other person(s) or entity(ies) including foreign entities ("intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary, shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries as per Clause (e)(i) of Rule 11 of Companies Audit and Auditors Rules, 2014. Refer Note No 38 to the accompanying financial statements.

- j. In our opinion and to the best of our knowledge and belief and as represented to us by the Company, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding parties"), with the understanding, whether recorded in writing or otherwise, 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 as per Clause (e)(ii) of Rule 11 of Companies Audit and Auditors Rules, 2014. Refer Note No 39 to the accompanying financial statements.

Based on such audit procedures as considered reasonable by us, we have not come across anything to believe that the representations made by the Company for Clause (i) & (j) as above contain any material misstatement

- k. No dividend has been declared or paid by the Company during the year.
- l. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the year ended 31<sup>st</sup> March, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. 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.

**Place : Chennai**  
**Dated : 30.05.2025**

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**For M/s. Ray & Ray**  
Chartered Accountants  
Firm Reg.No.301072E  
(Swetha Srinivasan)  
Partner  
Membership No. 240553  
UDIN : 25240553BMLXEN6062

**ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT**

**(Referred to in paragraph 1 under ‘Report on Other Legal and Regulatory Requirements’ of our report of even date)**

- i In respect of the Company’s fixed assets :
  - (a) The Company has maintained proper records showing full particulars, except for details like supplier name, quantitative details and the location of the plant, property and equipment.
  - (b) The Company has not maintained proper records showing full particulars of intangible assets.
  - (c) The Management has a regular programme for verification of property, plant and equipment at reasonable intervals. The company has obtained the confirmation of assets held by their employees at the reporting date. According to the information and explanation given to us, no material discrepancies were noticed on such verification. However, the physical verification report produced to us did not record details such as quantity and the physical condition of the property, plant and equipment.
  - (d) The title deeds of immovable properties are held in the name of the company except for the land in Gujarat for which only Form 7 was produced for our verification. Hence, we are unable to comment on the title of the Company as sufficient audit evidence viz sale deed/allotment letter was not provided.
  - (e) The Company has not revalued its Property, Plant and Equipment including (Right of use) assets or intangible assets during the year.
  - (f) According to the information and explanation given to us, no proceeding have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- ii. (a) According to the information and explanation given to us, physical verification of inventory has been conducted at reasonable intervals by the Management and no discrepancies were reported by the Management. Based on the reports presented, we are of the opinion that the coverage and the procedure adopted for such verification is appropriate.
- (b) According to the information and explanation given to us, the Company has not been sanctioned working capital limits at any point of time during the year. Hence, we have nothing to report under this clause.
- iii. According to in the information and explanations given to us, the Company, during the year, has not made investments in, provided any guarantee or security or granted any loans or advances, in the nature of loan, secured or unsecured, to companies, firms, limited liability partnership or any other parties. Hence, we have nothing to report under sub-clause (a) to (f) of this clause.
- iv. According to the information and explanations given to us, the Company has not advanced any loans or advances directly or indirectly to the directors of the Company covered u/s 185 of the Companies Act 2013. The Company has not made investment and given guarantee during the year. Hence, we have nothing to report under this clause.
- v. According to the information and explanations given to us, the Company has not accepted deposits or amounts which are deemed to be deposits during the year and therefore, the provisions of this clause is not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Hence, we have nothing to report under this clause.
- vii. According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has not been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income Tax (TDS), Goods and Service Tax, Professional tax and other material statutory dues applicable to it with the appropriate authorities.
  - (b) There were undisputed amounts payable in respect of the following statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Due date	Date of payment	Remarks
Tamil Nadu Tax on Professions, Trades Callings, and Employment's Act, 1992	Professional tax	20,35,003	2008-09 to 2023-24	Half yearly	Not paid	Not paid till the date of this report
Provident Fund Act	PF penal damages	30,38,008	FY 2023-24 and previous years	15 <sup>th</sup> of subsequent month	Not paid	Not paid till the date of this report
Income Tax Act	Tax deducted at source	1,83,98,357	FY 2023-24 and previous years	7 <sup>th</sup> of subsequent month	Not paid	Not paid till the date of this report

- (c) As per the information and explanations provided to us, there were no dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise duty and Value Added Tax which have not been deposited as on March 31, 2025 on account of disputes except as mentioned below:

Name of the statute	Nature of dues	Amount in Rs.	Period to which the amount relates	Forum where dispute is pending
Income Tax 1961	Income tax	95,33,960	2022-23 (FY 2021-22)	CIT(A)
	Total	<b>95,33,960</b>		

- viii. According to the information and explanation given to us, there were no transactions that were not recorded in books & was surrendered or disclosed as income during the year in the tax assessments under Income Tax Act 1961.
- ix. (a) According to the information and explanations given to us, the Company has not defaulted in the repayment of loans or other borrowings or in payment of interest thereon to any lender. However, schedule for repayment of principal and interest of loans amounting to Rs 1,80,95,000 from promoters and Rs 2,01,47,638 from others has not been stipulated and hence, we are unable to comment on the regularity of the repayment of such loans.
- (b) According to the information and explanation given to us, the Company has not been declared as a wilful defaulter by any bank or financial institutions or any other lender.
- (c) According to the information and explanation given to us, no term loan was obtained by the Company during the year. However, the Company obtained a car loan from the Bank in the previous year which was utilized for the purpose for which the loan was obtained. Hence, we have nothing to report on the utilization of such loans under this clause.
- (d) According to the information and explanation given to us, no short-term loans were raised for long term purposes during the year. Hence, we have nothing to report under this clause.
- (e) According to the information and explanation given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Hence, we have nothing to report under this clause.

## Kothari Industrial Corporation Limited

- (f) According to the information and explanation given to us, the Company has not raised any loans during the year on pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, we have nothing to report under this clause.
- x. (a) According to the information and explanation given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, we have nothing to report under this clause.
- (b) According to the information and explanation given to us, the Company has utilized funds raised by way of preferential allotment of shares for the purpose for which they were raised.
- xi. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- (b) According to the information and explanation given to us, no report under sub-section (12) of Section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with Central Government.
- (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Hence, we have nothing to report under this clause.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) & (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Hence, we have nothing to report under this clause.
- (c) & (d) In our opinion, according to the information, representation and explanations given to us, the Company is not a Core Investment Company as per the definition contained in the Core Investment Company (Reserve Bank) Directions 2016. Hence, we have nothing to report under this clause.
- xvii. The Company has incurred cash losses of Rs. 1728.54 lakhs in the current financial year and did no cash loss was incurred in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Hence, we have nothing to report under this clause.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payments of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as

on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts upto 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 explanation given to us and based on our examination of the books of accounts, the Company does not have any unspent amount specified in Schedule VII to the Act within the time limits.
- xxi. The reporting under this clause is not applicable in respect of audit of the financial statements of the Company. Accordingly, no comment has been included in respect of the said clause under this report.

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For **M/s. Ray & Ray**  
Chartered Accountants  
Firm Reg.No.301072E  
(Swetha Srinivasan)  
Partner

Membership No. 240553  
UDIN : 25240553BMLXEN6062

**Place : Chennai**  
**Dated : 30.05.2025**

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

**(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)**

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

We have audited the internal financial controls over financial reporting of **KOTHARI INDUSTRIAL CORPORATION LIMITED** ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date:

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

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

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

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

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us and during

the course of our audit of the financial statements for the year ended 31<sup>st</sup> March 2025, we evaluated the design and operating effectiveness of internal financial controls over financial reporting. Based on our procedures undertaken as per criteria established in the Guidance Note on Audit of Internal Financial Controls over financial reporting issued by the Institute of Chartered Accountants of India, we identified certain deficiencies in the internal financial control framework that, in our professional judgement, constitute significant deficiencies. These deficiencies may not result in material misstatement but warrant attention of those charged with governance. We have communicated these matters to the management and the Audit committee, alongwith our recommendations for appropriate and immediate remediation.

**Place : Chennai**  
**Dated : 30.05.2025**

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For **M/s. Ray & Ray**  
Chartered Accountants  
Firm Reg.No.301072E  
(Swetha Srinivasan)  
Partner  
Membership No. 240553  
UDIN : 25240553BMLXEN6062

# Kothari Industrial Corporation Limited

## KOTHARI INDUSTRIAL CORPORATION LIMITED

### BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2025

Rupees in Lakhs

Particulars	Note No.	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>I) ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	3	3,630.82	2,969.06
(b) Other Intangible assets	3	292.42	3.11
(c) Financial Assets			
(i) Investments	4	0.19	10.18
(ii) Loans	5	1,063.01	979.07
(iii) Others	6	80.78	-
(e) Deferred tax asset	7	45.39	45.39
<b>CURRENT ASSETS</b>			
(a) Inventories	8	770.47	138.75
(b) Financial Assets			
(i) Trade receivables (Net)	9	552.54	174.56
(ii) Cash and cash equivalents	10	2,077.05	77.26
(iii) Bank balances other than (ii) above	10	131.10	38.27
(iv) Others	11	10,442.98	680.05
(c) Current tax assets (net)	12	153.76	148.92
(d) Other current assets	13	759.04	398.47
<b>TOTAL ASSETS</b>		<b>19,999.54</b>	<b>5,663.10</b>
<b>II) EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	14	4,635.91	624.19
(b) Other Equity	15	13,418.98	156.27
<b>Equity</b>		<b>18,054.89</b>	<b>780.46</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	16	28.85	21.55
(b) Provisions	17	29.99	19.94
(c) Deferred tax Liabilities (Net)		-	-
(c) Other non-current liabilities		-	-
<b>CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	18	476.12	3,309.40
(ii) Trade payables - Others (Net)	19		
Micro & small enterprises		3.38	39.04
Other than micro & small enterprises		772.95	345.38
(iii) Other Financial liabilities	20	462.83	986.01
(b) Other Current liabilities	21	163.37	155.48
(c) Provisions	17	7.16	5.84
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>19,999.54</b>	<b>5,663.10</b>

The accompanying notes 1- 43 are an integral part of the standalone Ind AS financial statements

As per our Report of even date attached

**For Ray & Ray**  
Chartered Accountants  
Regn.No.301072E

**Swetha Srinivasan**  
Partner  
Membership No. 240553  
Place: Chennai  
Date : 30.05.2025

For and on behalf of the Board of Directors

**T.A. Rajalaxmi**  
Director  
DIN : 08148628

**Anil Kumar Padhiali**  
Company Secretary

**J. Rafiq Ahmed**  
Executive Chairman &  
Managing Director  
DIN : 02861341

**Hari Kishore**  
Chief Financial Officer

**PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025**
**Rupees in Lakhs**

Particulars	Note No.	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Revenue from operations	22	8,663.59	1,363.52
Other Income	23	96.64	1,350.60
<b>Total Income</b>		<b>8,760.23</b>	<b>2,714.11</b>
<b>Expenses:</b>			
Cost of materials consumed		-	-
Purchase of Stock-in-Trade		7,434.36	882.74
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	(593.60)	29.08
Employee benefits	25	1,020.05	861.74
Financial costs	26	189.99	270.92
Depreciation and amortization expense	3	112.76	24.88
Other expenses	27	2,338.89	1,579.46
<b>Total Expenses</b>		<b>10,502.45</b>	<b>3,648.83</b>
Profit/(Loss) before exceptional items/tax		(1,742.22)	(934.71)
Exceptional Items	28	-	-
- Profit/(Loss) on sale of asset		-	4,967.16
- Provision for Expenses		-	-
<b>Profit/(Loss) before tax</b>		<b>(1,742.22)</b>	<b>4,032.45</b>
Tax expense:			
(1) Current tax		(125.40)	130.49
(2) DEFERRED TAX		-	732.64
<b>Profit/(loss) for the period of continuing operation</b>		<b>(1,616.82)</b>	<b>3,169.31</b>
Profit/(Loss) from discontinuing operations		-	-
Tax expense of discounting operations		-	-
<b>Profit/(loss) from discontinued operations (after tax)</b>		<b>-</b>	<b>-</b>
<b>Profit/(Loss) for the period</b>		<b>(1,616.82)</b>	<b>3,169.31</b>
Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss		4.07	109.96
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
(iii) Items that will be reclassified to profit or loss		-	-
(iv) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total Comprehensive Income for the period (Comprising Profit/(Loss) for the period and Other Comprehensive Income for the period)</b>		<b>(1,612.75)</b>	<b>3,279.27</b>
Earning per equity share(for continuing operation):			
(1) Basic EPS	29	(1.74)	26.27
(2) Diluted EPS		(1.74)	26.27
(3) Revised EPS		(1.74)	26.27
Earning per equity share(for discontinuing operation):	29		
(1) Basic EPS		-	-
(2) Diluted EPS		-	-
(3) Revised EPS		-	-
Earning per equity share(for discontinued and continuing operations):			
(1) Basic EPS		(1.74)	26.27
(2) Diluted EPS		(1.74)	26.27
(3) Revised EPS		(1.74)	26.27

The accompanying notes 1- 43 are an integral part of the standalone Ind AS financial statements

As per our Report of even date attached

**For Ray & Ray**  
**Chartered Accountants**  
**Regn.No.301072E**
**Swetha Srinivasan**  
**Partner**  
**Membership No. 240553**  
**Place: Chennai**  
**Date : 30.05.2025**
**For and on behalf of the Board of Directors**
**T.A. Rajalaxmi**  
**Director**  
**DIN : 08148628**
**Anil Kumar Padhiali**  
**Company Secretary**
**J. Rafiq Ahmed**  
**Executive Chairman &**  
**Managing Director**  
**DIN : 02861341**
**Hari Kishore**  
**Chief Financial Officer**

**A) EQUITY SHARE CAPITAL**

**(i) Year ended 31<sup>st</sup> March, 2025**

Balance as at April 1, 2024	Changes in Equity Share Capital due to Prior period errors	Restated balance at the beginning of the previous reporting period	Changes in Equity Share capital during the current year	Balance as at March 31, 2025
624.19	-	-	4,011.71	4,635.90

**(ii) Year ended 31<sup>st</sup> March, 2024**

Balance as at April 1, 2023	Changes in Equity Share Capital due to Prior period errors	Restated balance at the beginning of the previous reporting period	Changes in Equity Share capital during the previous year	Balance as at March 31, 2024
955.54	-	-	331.35	624.19

**Equity Shares of Rs. 5 each issued, subscribed and fully paid (Refer Note No. 11a)**

	31 <sup>st</sup> March 2025		31 <sup>st</sup> March 2024	
	No. of Shares	Amount	No. of Shares	Amount
<b>Equity Shares</b>				
Balance as at the beginning of the year	1,91,10,885	9,55,54,425	1,91,10,885	9,55,54,425
Add: Shares issued during the year	7,36,07,220	36,80,36,100	-	-
Less: Reduction in Share Capital	-	-	(66,27,000)	(3,31,35,000)
<b>Balance as at the end of the year</b>	<b>9,27,18,105</b>	<b>46,35,90,525</b>	<b>1,24,83,885</b>	<b>6,24,19,425</b>

**B) OTHER EQUITY**

**Current Year 2024 - 25**

Particulars	Reserves and Surplus						
	Capital Reserves	Securities Premium	Capital Redemption Reserves	Fixed Asset Reserve	Revaluation Reserve	Retained Earnings	Total
Balance as at April 1, 2024	2,631.90	-	349.35	24.10	2,164.72	(5,013.80)	156.27
Profit / (Loss) for the year	-	-	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-	-	-
Transfer from / to retained earning	-	-	-	-	-	-	-
Transfer from / to Profit and Loss A/c	-	-	-	-	-	(1,612.75)	(1,612.75)
Transfer from Equity Share Capital	-	-	-	-	-	-	-
Other Adjustment	-	14,875.46	-	-	-	-	14,875.46
Dividend distribution tax paid	-	-	-	-	-	-	-
Balance as at March 31, 2025	2,631.90	14,875.46	349.35	24.10	2,164.72	(6,626.55)	13,418.98

Particulars	Reserves and Surplus					
	Capital Reserves	Securities Premium	Capital Redemption Reserves	Fixed Asset Reserve	Revaluation Reserve	Retained Earnings
Balance as at April 1, 2023	2,631.90	-	18.00	-	2,164.72	(10,523.01)
Profit /(Loss) for the year	-	-	-	24.10	-	-
Other Comprehensive Income	-	-	-	-	-	-
Transfer from / to retained earning	-	-	-	-	-	-
Transfer from / to Profit and Loss A/c	-	-	-	-	-	-
Transition Adjustments made during previous year	-	-	331.35	-	-	3,279.28
Other Adjustment	-	-	-	-	-	-
Dividend declared and paid during the year	-	-	-	-	-	-
Dividend distribution tax paid	-	-	-	-	-	-
Balance as at March 31, 2024	2,631.90	-	349.35	24.10	2,164.72	(5,013.80)
						156.27

To enhance clarity, Retained Earnings and the Profit & Loss Account have been combined into a single line item. This consolidated presentation reflects cumulative profits retained in the business, including the current year's results, and aligns with standard accounting practices.

#### As per our Report of even date attached

For Ray & Ray  
Chartered Accountants  
Regn.No.301072E

Swetha Srinivasan  
Partner  
Membership No. 240553  
Place: Chennai  
Date : 30.05.2025

#### For and on behalf of the Board of Directors

T.A. Rajalaxmi  
Director  
DIN : 08148628

J. Rafiq Ahmed  
Vice Chairman &  
Managing Director  
DIN : 02861341

Anil Kumar Padhiali  
Company Secretary

Hari Kishore  
Chief Financial Officer

**STANDALONE CASH FLOW STATEMENT****A) CASH FLOW FROM OPERATING ACTIVITIES**  
NET PROFIT/(LOSS) BEFORE TAX**Add:**

Net Depreciation

**Add / Less:**

Finance cost

Provision Long Term

Duty draw back &amp; Creditors written back

Interest received

Bank Interest

Discount Received

Profit On Sale Of Asset

Provision No Longer Required

Provisions

Other Income

**OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES****Movement In Working Capital:**

(Increase)/Decrease In Inventories

(Increase)/Decrease In Trade Receivables

(Increase)/Decrease In Financial Assets

Increase/(Decrease) In Borrowings

Increase/(Decrease) In Trade Payables

Increase/(Decrease) In Other current liabilities

Increase/(Decrease) In Other Financial Liabilities

Cash Generated from Operating Activities

Direct Taxes Paid

**Net Cash Flow From Operating Activities(A)****B) Cash Flow From Investing Activities**

Sale / (Purchase) of PPR and Intangibles

Duty draw back &amp; Creditors written back

Increase in financial Assets

(Increase)/Decrease In FD or Margin money with banks

Interest received

	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024	Rs. in Lakhs
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>			
NET PROFIT/(LOSS) BEFORE TAX	(1,742.22)	(934.71)	
<b>Add:</b>			
Net Depreciation	112.76	24.88	
	<b>(1,629.46)</b>	<b>(909.83)</b>	
<b>Add / Less:</b>			
Finance cost	189.99	270.92	
Provision Long Term	-	0.65	
Duty draw back & Creditors written back	24.46	0.26	
Interest received	(7.91)	(1,126.66)	
Bank Interest	(4.36)	(2.52)	
Discount Received	-	(1.41)	
Profit On Sale Of Asset	-	(4,967.10)	
Provision No Longer Required	-	(85.33)	
Provisions	15.44	(101.41)	
Other Income	-	(134.68)	
	217.61	(6,147.28)	
	<b>(1,411.85)</b>	<b>(7,057.11)</b>	
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>			
<b>Movement In Working Capital:</b>			
(Increase)/Decrease In Inventories	(631.71)	29.09	
(Increase)/Decrease In Trade Receivables	(377.97)	96.98	
(Increase)/Decrease In Financial Assets	(10,128.34)	(523.46)	
Increase/(Decrease) In Borrowings	(2,833.28)	3,309.40	
Increase/(Decrease) In Trade Payables	391.91	263.48	
Increase/(Decrease) In Other current liabilities	7.89	155.48	
Increase/(Decrease) In Other Financial Liabilities	(523.18)	620.51	
Cash Generated from Operating Activities	(14,094.68)	3,951.47	
Direct Taxes Paid	(15,506.53)	(3,105.65)	
	125.40	(130.49)	
	<b>(15,381.12)</b>	<b>(3,236.14)</b>	
<b>Net Cash Flow From Operating Activities(A)</b>			
<b>B) Cash Flow From Investing Activities</b>			
Sale / (Purchase) of PPR and Intangibles	(1,063.83)	4,751.10	
Duty draw back & Creditors written back	(24.46)	(0.26)	
Increase in financial Assets	(164.71)		
(Increase)/Decrease In FD or Margin money with banks	(92.83)	(38.27)	
Interest received	7.91	1,126.66	

Bank Interest	4.36	2.52	
Discount Received	-	1.41	
Profit On Sale Of Asset	-	4,967.16	
Provision No Longer Required	-	85.33	
Sale / (Purchase) of Investments	9.99	-	
Other Income	-	(1,323.57)	11,030.34
<b>Net Cash Flow From Investing Activities (B)</b>		<b>(1,323.57)</b>	<b>11,030.34</b>
<b>C) Cash Flow From Financing Activities</b>			
Increase in Equity share capital	4,011.71		
Security premium received	14,875.46		
Borrowings/(Repayment)Of Non Current Liabilities	-	(7,244.23)	
Borrowings/(Repayment) Of Long Term Borrowings	7.29	3,309.40	
Advances	-	(895.41)	
Other borrowings	-	(2,653.56)	
Interest Paid	(189.99)	18,704.48	(7,754.73)
<b>Net Cash Flow From Financing Activities (C)</b>		<b>18,704.48</b>	<b>(7,754.73)</b>
<b>Net Increase In Cash And Cash Equivalents(A+B+C)</b>		<b>1,999.79</b>	<b>39.47</b>
<b>Cash And Cash Equivalent Opening Balance</b>		<b>77.26</b>	<b>37.79</b>
<b>Effect of Exchange Differences on Restatement of Foreign Currency Cash and Cash Equivalents</b>			
<b>Cash And Cash Equivalent Closing Balance</b>			
<b>Components Of Cash And Cash Equivalents</b>			
Cash On Hand		6.16	2.50
Balances On Current Accounts		2,070.89	74.75
<b>Total Cash And Cash Equivalents</b>		<b>2,077.05</b>	<b>77.26</b>

Note:- The above cash flow statement has been prepared under "Indirect method " Set out in the Ind AS 7 - Cash flow statement.

Particulars	1-4-24	Cash Flow	Foreign exchange / others	31-3-25
Borrowing - Non-Current (including current maturities)	21.55	7.29	-	28.85
Borrowing - Current	3,309.40	(2,833.28)	-	476.12
<b>Total</b>	<b>3,330.95</b>	<b>2,825.99</b>	<b>-</b>	<b>504.97</b>

As per our Report of even date attached

For Ray & Ray  
Chartered Accountants  
Regn.No. 301072E  
Swetha Srinivasan  
Partner  
Membership No. 240553  
Place: Chennai  
Date : 30.05.2025

For and on behalf of the Board of Directors

T.A. Rajalaxmi  
Director  
DIN : 08148628  
Anil Kumar Padhiali  
Company Secretary  
J. Rafiq Ahmed  
Executive Chairman &  
Managing Director  
DIN : 02861341  
Hari Kishore  
Chief Financial Officer

## NOTES TO ACCOUNTS

### NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

#### 1. CORPORATE INFORMATION

Kothari Industrial Corporation Limited ("KICL" or "the Company") is a listed company incorporated under the provisions of the Indian Companies Act 1956, on July 1, 1970. The Company is engaged in manufacturing and mixing of fertilizers, providing drone services, engaged in hotel activities, engaged in footwear and leather activities and has a network of distributors in the southern states and has developed a brand value recognized in the market place. The company has planned to develop a Container Terminal at Ennore.

The Company's shares are listed on 2 Recognised Stock Exchanges in India. The registered office of the Company is located at 114, kothari Building, Mahathma Gandhi salai, Chennai - 600 034.

#### 2. SIGNIFICANT ACCOUNTING POLICIES :

##### 2.1 Basis of preparation of the Ind AS Financial statements

###### (a) Statement of Compliance

These financial statements have been prepared in accordance with the generally accepted accounting principles in India and have complied in all material respects with the Indian Accounting Standards("Ind AS") notified under Section 133 of the Companies Act, 2013 (the Act), the Companies (Indian Accounting Standards) Rules, 2015 and Companies Indian Accounting Standards) Amendment Rules, 2016 as applicable and also complied with other relevant provisions of the Act and Interpretations issued by the Ind AS Transition Facilitation Group (ITFG) applicable to Companies reporting under Ind As and additional disclosures required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Financial statements up to the a year ended March 31, 2017 which were prepared in accordance with the accounting standard notified under the companies (accounting standard) Rules, 2006 (as amended) and other relevant provisions of the Act. Have been reinstated as per Ind As.

The Company's Financial Statements are presented in Indian Rupees (C), which is also its functional currency and all values are rounded to the nearest lakhs, except when otherwise indicated.

###### (b) Basis of measurement

These financial statements have been prepared under historical cost convention except for certain assets and liabilities as stated in the respective policies, which have been measured at fair value.

###### (c) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- i. Expected to be realized or intended to be sold or consumed in normal operating cycle
- ii. Held primarily for the purpose of trading
- iii. Expected to be realized within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- i. It is expected to be settled in normal operating cycle
- ii. It is held primarily for the purpose of trading
- iii. It is due to be settled within twelve months after the reporting period, or
- iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities have been classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

## **2.2 Use of estimates and judgement**

The preparation of financial statement in conformity with the generally accepted accounting principles requires the management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities as at the balance sheet date, reported amounts of revenue and expenses for the year and disclosure of contingent liabilities as of the date of balance sheet. The judgement, estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date financial statements. Actual amounts could differ from these estimates.

## **2.3 Significant estimates and judgements**

**The areas involving significant estimates property and judgements are:**

### **a) Property, Plant and Equipment**

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

Freehold land is carried at cost. All other items of property, plant and equipment including intangibles are carried at cost less accumulated depreciation/amortization losses, if any.

The cost includes the cost of replacing part of the property, plant and equipment meeting the recognition criteria and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment up to the date of commissioning of the assets. In accordance with Ind AS 16- Property, Plant and Equipment commissioning expenses directly attributable to project is recognized under Capital Work in Progress (CWIP). Subsequent to initial recognition, property, plant and equipment other than freehold land are measured at cost less accumulated depreciation and any accumulated impairment losses. The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

### **Intangible Assets (Ind AS 38)**

Intangible assets are recognized when it is probable that future economic benefits will flow to the Company and the cost can be reliably measured.

## Kothari Industrial Corporation Limited

They are initially measured at cost and subsequently at cost less amortisation and impairment, if any. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure are recognised in the profit or loss as incurred.

Amortisation is on a straight-line basis over the estimated useful life. Research costs are expensed as incurred; development costs are capitalized if criteria under Ind AS 38 are met. Assets with indefinite life or not yet in use are tested annually for impairment.

### Depreciation

Depreciation in tangible assets is provided on Written Down Value method and calculated on cost of items of property, plant and equipment less their estimated residual value over their estimated useful life and recognised in the statement of profit and loss.

Assets	Useful Life
Building	30 years
Computer	3 years
Plant & Machinery	8 years
Furniture & Fittings - General	10 years
Furniture & Fittings - Used in hotels, restaurants	8 years
Vehicles	10 years
Office Equipment's	5 years
Software and Other Intangibles	6 years

### b) Income Taxes

Deferred Tax Assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The company was having brought forward losses that will be used to setoff against future profit. During the year company has loss from operating activities and management decided not to create deferred tax assets for the brought forward loss and unabsorbed depreciation.

### c) Defined Benefit Plans

The cost of the defined benefit gratuity plan, post-employment medical benefits and other defined benefit plans and the present value of the obligation of defined benefit plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

### d) Interim Financial Reporting (Ind AS 34)

The interim financial results are prepared in accordance with Ind AS 34 – Interim Financial Reporting, as notified under the Companies Act, 2013. The same accounting policies and methods of computation as followed in the annual financial statements have been applied. Estimates used are consistent with those of the previous financial year unless stated otherwise. Interim results are not necessarily indicative of the full-year performance.

## **2.4 Investment Property**

Property that is held for long-term rental yield or for capital appreciation or both is classified as investment property. Investment property is carried at cost including related transaction costs less accumulated depreciation and impairment losses, if any. Subsequent expenditure is included in the asset's book value only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are expensed when incurred. When a part of an investment property is replaced, the carrying amounts of the replaced part is derecognized.

## **2.5 Borrowing Costs**

Borrowing costs are interest and other costs (including exchange difference relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to production or acquisition or construction of qualifying assets are capitalized as part of the cost of assets up to the date such assets are ready for their intended use. Other borrowing costs are recognized as expense in the period in which they are incurred.

## **2.6 Impairment**

The carrying values of assets/cash generating units at each Balance sheet date are annually reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognized in the statement of Profit and Loss.

## **2.7 Foreign Currency translation**

### **i) Functional and presentation currency**

The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

### **ii) Transaction and balances**

#### **Initial Recognition**

Foreign currency transactions are recorded in functional currency using the exchange rate prevailing on the date of transaction.

#### **Subsequent recognition**

As at the reporting date, monetary assets and liabilities denominated in foreign currency are restated at the closing exchange rates. Exchange differences arising out of actual payment/ realization and from the year end restatement are recognized in the statement of Profit and Loss.

#### **Forward Contracts**

Foreign exchange forward contracts outstanding at the year-end on account of firm's commitment / highly probable forecast transactions are marked to market and the gains / losses, if any, are recognized in the Statement of Profit and Loss. The Company does not enter into any speculative transactions in derivatives.

## **2.8 Inventories**

Inventories are valued at cost or net realisable value whichever is less. The cost of inventories includes expenditure incurred in acquiring the inventories, production or other conversion cost incurred in bringing them to their present location and condition. In the case of raw material and stock-in-trade cost comprises of cost of purchase, in the case of finished goods and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. In the case of trading inventories, cost comprises the cost of purchase and other incidental costs incurred in bringing them to their present location and condition. The company values its inventories using the First-In, First-Out (FIFO) method & its land using the Fair Market Value (Guideline Value). Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. The net realisable value of work in progress is determined with reference to the selling price of related finished goods.

## **2.9 Cash and Cash equivalents**

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## **2.10 Trade receivables**

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost, less provision for impairment.

## **2.11 Revenue recognition**

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it had pricing latitude and is also exposed to inventory and credit risks.

### **Contract Assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company fulfils its performance obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

### **Trade Receivables**

A receivable represents the company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

### **Contract Liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made, or the payment is due (whichever is earlier). Contract liabilities in respect of advance from customers is disclosed under "other current liabilities". Contract liabilities are recognized as revenue when the Company performs under the contract.

**(a) Sale of Goods and Services**

Revenue, including subsidy, in respect of sale of goods and services is recognized at a point in time when control of the goods has transferred or services obligation has been performed, being when the goods are delivered to the buyer, the buyer has full discretion over the goods or services and there is no unfulfilled obligation that could affect the buyer's acceptance of the goods. Revenue (other than subsidy) from the sales is recognized based on price specified in the contract, net of estimated volume discount. Amounts disclosed as revenue are net of returns and allowances, trade discounts, rebates, and goods & services tax (GST). The Company collects GST on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence, these are excluded from the revenue. The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

**(b) Interest Income**

Interest income is calculated by applying the effective interest rate to gross carrying amount of a financial asset except for financial asset that subsequently become credit impaired. In case of credit impaired financial asset, the effective interest rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance).

**(c) Dividend**

Dividend income is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

**(d) Insurance Claims**

Claims receivable on account of insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

**2.12 Lease**

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**A. Company as Lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low value assets. The Company recognizes lease liabilities to make lease payments and right-of use assets representing the right to use the underlying assets.

**Right of use assets**

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets. The Right to use assets are also subject to impairment as described in the policies with respect to the impairment of non-financial assets.

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments to be made over the lease term. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the statement of Profit and loss.

**B. Company as Lessor**

The leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating Lease. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned. During the year ended 31 March 2020, the Company applied, for the first time, Ind AS 116 Leases retrospectively with the cumulative effect of initially applying the standard recognized at the date of initial application as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the date of initial application.

**C. Nature of the effect of adoption of Ind AS 116.**

The Company has lease contracts for Factory and Hotel Business. Before the adoption of Ind AS 116, the Company classified its leases (as lessor) at the inception date as an operating lease. In an operating lease, the leased property was not capitalized and the lease receipts/payments were recognized as rent income in the statement of profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognized under Prepayments and Trade and other payables, respectively. Upon adoption of Ind AS 116, the company applied a single recognition and measurement approach for all leases that it is the lessee, except for short term, leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which has been applied by the company.

**2.13 Financial Instrument**

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

Government Subsidy relating to income are recognized in the statement of profit and loss over the periods in which the related costs, for which the grants are intended to compensate are recognized as expenses.

**(a) Financial assets**

**Initial Recognition and Measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**Subsequent Measurement**

**Debt Instruments**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. For the purposes of subsequent measurement, debt instruments are classified in three categories:

- Debt instruments at amortized cost;
- Debt instruments at fair value through other comprehensive income (FVTOCI); and
- Debt instruments at fair value through profit or loss (FVTPL).

### **Debt Instruments at Amortized Cost**

A debt instrument is measured at the amortized cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss.

### **Debt Instrument at FVTOCI**

A debt instrument is classified as at FVTOCI if both the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the OCI. However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to the Statement of Profit and Loss. Interest earned while holding FVTOCI debt instruments is reported as interest income using the EIR method.

### **Debt Instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as at FVTOCI, is classified as at FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

### **Equity Instruments**

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

### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- (a) The rights to receive cash flows from the asset have expired, or
- (b) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
  - (i) the Group has transferred substantially all the risks and rewards of the asset, or
  - (ii) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### **Impairment of Financial Assets**

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVTOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition. Assessment of such credit risk is being made on case to case basis based on available information. For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 'Financial Instruments', which requires expected lifetime losses to be recognized from initial recognition of the receivables. The allowance for doubtful debts/ advances or impairment of assets is made on case to case basis by considering relevant available information.

### **(b) Financial Liabilities**

#### **Initial Recognition and Measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, as loans and borrowings, as payables, or as derivatives. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables, loans and borrowings including redeemable preference shares and derivative financial instruments.

#### **Subsequent Measurement**

The measurement of financial liabilities depends on their classification, as described below::

#### **Financial Liabilities at Fair Value through Profit or Loss**

Financial liabilities at fair value through profit or loss (FVTPL) include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109 'Financial instruments'. Gains or losses on liabilities held for trading are recognized in the profit or loss.

## **2.14 Employee benefits / Obligations**

### **(i) Short term obligations**

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

### **ii) Post employment obligations**

The Company has the following post employment obligations / plans:

- a) Defined benefit plans such as gratuity for its eligible employees; and
- b) Defined contribution plan such as provident fund

#### **a) Gratuity:**

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

Actuarial gains or losses are recognized in other comprehensive income. Further, the profit or loss not include an expected return on plan assets. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset.

Re-measurement gains or losses arising from experience adjustments and changes in actuarial assumption are recognized in the period in which they occur, directly in other comprehensive income (net of tax).

**(b) Provident Fund:**

This is a defined contribution plan, and contributions made to the Fund as per the rules of the Company are charged top rift and loss as and when due. The Company has no further obligations for future provident fund benefits other than monthly contributions.

**2.15 Taxes on Income**

Taxes on Income comprise current tax and deferred tax.

The current tax expense for the period is the tax payable on the current period's taxable income computed at the applicable income tax rate and is recognized in the statement of profit or loss. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Current and deferred tax is recognized in profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

**2.16 Provisions and contingencies****Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Expected future operating losses are not provided for. Where the Company expects some or all of the expenditure required to settle a provision will be reimbursed by another party, the reimbursement is recognised when and only when it is virtually certain that reimbursement will be received if the entity settles the obligation.

**Contingencies**

Contingent liabilities are not recognized but are disclosed in notes. Contingent assets are neither recognized nor disclosed in the financial statements.

**2.17 Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

**2.18 Accounting Policy, Change in Accounting Estimates and Error**

If the Material error occurred before the earliest prior period presented then entity shall correct the same retrospectively in the first set of financial statement approved for issue after the discovery after restating the opening balance of assets, Liabilities and equity for the earliest prior period presented.

**2.19 Segment Reporting**

Operating segments are reported in a manner consistent with the internal reposting provided to the chief Operating Decision Maker ("CODM")

**2.20 Dividend to Shareholders**

Final dividend distributed to equity shareholders is recognized in the period in which it is approved by the members of the Company in the Annual General Meeting. Interim dividend is recognized when approved by the Board of Directors at the Board meeting. Dividend distributed (including interim dividend) is recognized in the Statement of changes in Equity.

**2.21 Investments in Subsidiaries and Associates**

Investments in subsidiaries and associates are carried at cost less accumulated impairment losses., if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

**2.22 Government grants**

Government grants are recognised where there is reasonable assurance that the grant will be complied with. When the grant relates to revenue, it is recognised in the statement of profit and loss on a systematic basis over the periods to which they relate. When the grant relates to an asset, it is treated as deferred income and recognised in the statement of profit and loss on a systematic basis over the useful life of the asset.

**Note 3 Property, plant and equipment**
**Rs. in Lakhs**

Current Year (FY 2024-25) Assets	Gross Block			Depreciation			Impairment Loss		Net Block	
	As at April 1, 2024	Addition	Disposal	As at March 31, 2025	Opening Accumulated Depreciation	Depreciation / amortization for the year	Deductions / Other adjustments	Closing Accumulated Depreciation / Amortization	As at April 1, 2024	As at March 31, 2025
<b>Property, plant and equipment</b>										
Land	2,630.43	-	-	2,630.43	-	-	-	-	-	2,630.43
Building	6.04	4.39	-	10.43	1.60	0.45	-	2.05	-	8.38
Plant and Machinery	149.49	119.01	13.13	255.37	29.79	8.17	-	37.96	-	217.41
Furniture and Fixture	168.13	469.24	-	637.37	47.98	30.73	-	78.71	-	558.67
Vehicle	115.33	26.86	-	142.19	78.74	12.78	-	91.51	-	50.67
Office Equipments	147.55	36.58	-	184.13	122.78	6.97	-	129.75	-	54.38
Electrical Equipments	34.81	29.52	-	64.32	22.94	3.18	-	26.12	-	38.20
Computer	81.14	22.46	-	103.60	60.46	23.46	-	83.93	-	19.67
General Items / Kitchenware / Miscellaneous	5.15	65.75	-	70.89	4.73	13.17	-	17.89	-	53.00
<b>Total Fixed Assets (A)</b>	<b>3,338.08</b>	<b>773.79</b>	<b>13.13</b>	<b>4,098.74</b>	<b>369.02</b>	<b>98.91</b>	-	<b>467.93</b>	-	<b>3,630.81</b>
<b>Intangible Assets</b>										
Software	22.52	10.09	-	32.61	20.76	0.50	-	21.26	-	11.35
Trade mark	1.72	6.13	-	7.85	0.37	0.44	-	0.81	-	7.04
Other Intangible Assets	-	286.94	-	286.94	-	12.91	-	12.91	-	274.03
<b>Total Intangible Assets (B)</b>	<b>24.24</b>	<b>303.16</b>	-	<b>327.40</b>	<b>21.13</b>	<b>13.85</b>	-	<b>34.98</b>	-	<b>292.42</b>
<b>Total Assets (A+B)</b>	<b>3,362.31</b>	<b>1,076.95</b>	<b>13.13</b>	<b>4,426.14</b>	<b>390.15</b>	<b>112.76</b>	-	<b>502.91</b>	-	<b>3,923.24</b>
<b>Total</b>										<b>2,972.15</b>
Previous Year (FY 2023-24) Assets	Gross Block			Depreciation			Impairment Loss		Net Block	
	As at April 1, 2023	Addition	Disposal	As at March 31, 2024	Opening Accumulated Depreciation	Depreciation / amortization for the year	Deductions / Other adjustments	Closing Accumulated Depreciation / Amortization	As at April 1, 2023	As at March 31, 2024
<b>Fixed Assets</b>										
Land	2,639.98	-	9.55	2,630.43	-	-	-	-	-	2,630.43
Building	1.57	4.47	-	6.04	1.47	0.13	-	1.60	-	4.44
Plant and Machinery	613.11	161.68	617.72	157.07	550.12	9.90	486.97	73.05	-	84.02
Furniture and Fixture	49.66	124.13	0.51	173.28	49.66	3.04	-	52.70	-	120.58
Vehicle	68.74	39.02	-	107.75	34.72	4.67	3.91	35.48	-	72.27
Office Equipments	164.27	34.50	51.22	147.55	151.99	0.99	30.19	122.78	-	24.77
Computer	88.07	37.59	9.70	115.95	81.04	4.38	2.02	83.40	-	32.55
<b>Total Fixed Assets (A)</b>	<b>3,625.39</b>	<b>401.39</b>	<b>688.71</b>	<b>3,338.08</b>	<b>869.01</b>	<b>23.11</b>	<b>523.10</b>	<b>369.02</b>	-	<b>2,969.06</b>
<b>Intangible Assets</b>										
SAP Software	20.01	0.30	-	20.31	19.35	-	-	19.35	-	0.95
Drone Software	-	3.93	-	3.93	-	1.77	-	1.77	-	2.16
<b>Total Intangible Assets (B)</b>	<b>20.01</b>	<b>4.23</b>	-	<b>24.24</b>	<b>19.35</b>	<b>1.77</b>	-	<b>21.13</b>	-	<b>3.11</b>
<b>Total Assets (A+B)</b>	<b>3,645.40</b>	<b>405.62</b>	<b>688.71</b>	<b>3,362.31</b>	<b>888.36</b>	<b>24.88</b>	<b>523.10</b>	<b>390.15</b>	-	<b>2,972.17</b>
<b>Total</b>										<b>2,756.38</b>

**Notes :**

1. Company has sold Super Phosphate factory (Comprise of Land, Building and Plant & Machinery) amount Rs. 49.81 Crore to Coromandel International Limited during the previous year, which was given on lease earlier to same company.
2. There were no Capital work in progress as on 31<sup>st</sup> March 2025 (31<sup>st</sup> March 2024: Nil)
3. a) The Company does not have any benami property, and no proceedings have been initiated or are pending against the Company.  
b) The title deeds of all immovable properties disclosed in the financial statements are held in the name of the Company as at the balance sheet date.
4. The company has not revalued any property, plant and equipment or intangibles during the year. (31<sup>st</sup> March 2024: Nil)

## Kothari Industrial Corporation Limited

Rs. in Lakhs

4.		31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
	<b>Non-Current Investments</b>		
	Investments in Equity instruments		
	- 52000 shares of Katiken Logistics Ltd @ Rs. 10 each fully paid	-	5.20
	- #99,994 shares of Kothari Marine International Limited @ Rs. 10 each fully paid	-	9.99
	- 1,900 share in Kothari's My Park King Solutions Private Limited @ Rs.10 each fully paid	0.19	0.19
	Less: Investment provision	-	(5.20)
	<b>Total</b>	<b>0.19</b>	<b>10.18</b>

Note: Shares of karthikeyan logistics was sold at cost during the year and corresponding provision has been reversed. The Company sold its entire shareholding of 99,994 equity shares in Kothari Marine International Limited on 5th March 2025 through a Delivery Instruction Slip (DIS). Following this transaction, Kothari Marine International Limited ceased to be a subsidiary of the Company effective the same date. Hence, no consolidated financial statements have been presented by the Company.

All the above investments are carried at cost.

5.		31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
	<b>Long Term Loans and Advances</b>		
	Secured considered good		
	Capital Advances	-	-
	Security Deposits	1,063.01	979.07
	Loans and advances to related parties	-	-
	Unsecured considered good/Doubtful	-	-
	<b>Total</b>	<b>1,063.01</b>	<b>979.07</b>

6.		31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
	<b>Other Financial Assets</b>		
	Receivable from Government Authorities	80.78	-
	<b>Total</b>	<b>80.78</b>	<b>-</b>

This represents subsidy receivable amounting to ₹80.78 lakhs from the Government, pertaining to the financial year 2013-14. We are actively pursuing the necessary documentation to facilitate the receipt of this subsidy, ensuring its appropriate accounting treatment in accordance with Indian Accounting Standard 20. Confirmation of balance from Government department is awaited.

7.		31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
	<b>Deferred Tax (Net)</b>		
	Deferred Tax Asset	45.39	45.39
	<b>Total</b>	<b>45.39</b>	<b>45.39</b>

Deferred Tax Assets have not been recognized in the financial statements in compliance with the principle of prudence as prescribed under Ind AS 12 – Income Taxes. Although the Company has carry-forward losses and other deductible temporary differences, the management, based on its evaluation of available evidence and projections, has determined that recognition of such deferred tax assets is not appropriate at this stage. Accordingly, no deferred tax asset has been recognized in the books of account. The position will be reviewed periodically and such assets will be recognized when reasonable certainty exists regarding their realization.

Rs. in Lakhs

8.		31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
	<b>Inventories</b>		
	Work in progress	-	-
	Finished goods	523.63	14.83
	Stock in trade(Land)	51.93	51.93
	Stock in trade	156.79	39.00
	- Packing Materials	38.11	32.99
	<b>Total</b>	<b>770.47</b>	<b>138.75</b>
9.		31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
	<b>Trade receivables</b>		
	Secured, considered good		
	- Outstanding for a period exceeding 6 months from the date they are due for payment	-	-
	- Others Debtors receivable	-	-
	Unsecured, considered good		
	- Outstanding for a period exceeding 6 months from the date they are due for payment	-	-
	*- Others Debtors receivable	568.15	184.83
	Debtor provision	(15.61)	(10.27)
	Unsecured, considered doubtful		
	- Outstanding for a period exceeding 6 months from the date they are due for payment	-	-
	<b>Total</b>	<b>552.54</b>	<b>174.56</b>

\*Confirmation of balance is awaited

**(i) Trade Receivables ageing Schedule - Year ended 31<sup>st</sup> March 2025**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 -2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	486.96	2.03	17.34	51.13	10.69	568.15
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Less : Provision for the year ended	-	-	(6.33)	(4.47)	(4.81)	(15.61)
<b>Total</b>	<b>486.96</b>	<b>2.03</b>	<b>11.01</b>	<b>46.66</b>	<b>5.88</b>	<b>552.54</b>

**(ii) Trade Receivables ageing Schedule - Year ended 31<sup>st</sup> March 2024**

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	82.47	28.21	53.47	0.51	20.18	184.83
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Less : Provision for the year ended	-	-	-	-	(10.27)	(10.27)
<b>Total</b>	<b>82.47</b>	<b>28.21</b>	<b>53.47</b>	<b>0.51</b>	<b>9.91</b>	<b>174.56</b>

10.		31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
	<b>Cash and cash equivalents</b>		
	Balances with banks		
	- In current account	2,070.89	74.75
	other current account	88.98	
	- Cheques on hand	-	-
	Cash in hand	6.16	2.50
	Balances with banks to the extent held as margin money	42.11	38.27
	<b>Total</b>	<b>2,208.15</b>	<b>115.52</b>

11.		31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
	<b>Other Financial assets</b>		
	Advances		
	Parveen Roadways (P) Ltd	80.46	93.21
	Advance to employees (net)	12.12	1.71
	Parveen Roadways	2,404.00	-
	Phoenix Kothari Private Limited	7,000.00	-
	Advance with creditors	-	
	Other Advances (Net)	946.40	585.14
	<b>Total</b>	<b>10,442.98</b>	<b>680.05</b>

**Rs. in Lakhs**

### Acquisition of Parveen Roadways

The Company has acquired Parveen Roadways, a sole proprietorship firm engaged in logistics and railway-related services, for a consideration of ₹24.04 crores (Paid as an advance on 28/03/2025) through a business transfer agreement dated 8th April 2025. The business includes over 100 vehicles (such as tippers, trailers, buses, and forklifts) and a workforce of approximately 500 employees. Major clients include Integral Coach Factory, Southern Railways, Port Trusts, and Aavin Milk Factory.

### Strategic Investment in Phoenix Kothari Footwear Limited (PKFL)

The Company has entered into an agreement to acquire 30% equity stake in Phoenix Kothari Footwear Limited (PKFL) from Mr. Rafiq Ahmed for a total consideration of ₹9906 lakhs. PKFL is a reputed contract manufacturer for global footwear brands such as CROCS and Adidas. This strategic investment is aimed at strengthening KICL's global supply chain presence and supporting PKFL's growth and innovation initiatives in the footwear sector. Advance of Rs 7000 lakhs was given during the year for this purpose. As the transaction had not been concluded by the reporting date, no adjustments have been made in the financial statements in respect of the proposed acquisition as at 31st March 2025.

12.		31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
	<b>Current tax assets (net)</b>		
	Balances with banks		
	- Advance Income tax	153.76	148.92
	<b>Total</b>	<b>153.76</b>	<b>148.92</b>
13.		31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
	<b>Other Current Assets</b>		
	Prepaid Insurance	2.64	-
	Advance from Vendors	756.40	398.47
	<b>Total</b>	<b>759.04</b>	<b>398.47</b>

### 14. (a) Equity share Capital

Particulars	As at 31.03.2025		As at 31.03.2024	
	Number of Shares	Amount (Rs. in Lakhs)	Number of Shares	Amount (Rs. in Lakhs)
<u>Authorised</u>				
Equity shares of Rs 10 each	1,500.00	7,500.00	500.00	2,500.00
<u>Issued, subscribed and fully paid up</u>				
Equity shares of Rs 10 each	927.18	4,635.91	124.84	624.19

### 14. (b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

Particulars	As at 31.03.2025		As at 31.03.2024	
	Number of Shares	Amount (Rs. in Lakhs)	Number of Shares	Amount (Rs. in Lakhs)
Issued, subscribed and fully paid up equity shares outstanding at the beginning of the year	124.84	624.19	191.11	955.55
Add: Shares issued during the year	802.34	4,011.71		
Less: Reduction during the Year*			66.27	331.35
Issued, subscribed and fully paid up equity shares outstanding at the end of the year	927.18	4,635.91	124.84	624.19

\*Reduction of share capital as per NCLT Order

**(c) Rights, Preferences and restrictions attached to equity shares**

Each shareholder is entitled to one vote per share and dividend when declared. Other rights are governed by the Articles of Association of the Company and the Companies Act 2013.

(d)	<b>Details of Shares held by share holders holding more than 5% of the aggregate shares in the company</b>				
		<b>31<sup>st</sup> March 2025</b>		<b>31<sup>st</sup> March 2024</b>	
		<b>Percentage</b>	<b>No.of Shares</b>	<b>Percentage</b>	<b>No.of Shares</b>
	<b>Equity Shares</b>				
	Mr. Pradip D Kothari	1.47%	13,66,288	10.94%	13,66,288
	Life Insurance corporation of India	1.53%	14,14,629	11.79%	14,71,629
	F J Global Trading and Investment	7.61%	70,56,000	0.00%	-
	Mr. A. Sahabudeen	1.00%	9,29,793	9.05%	11,29,793
	Mr. Rafiq Ahmed	44.86%	4,15,90,734	0.00%	-
	<b>Total</b>		<b>5,23,57,444</b>		<b>39,67,710</b>

**(e) Shares held by Promoters and Promoter Group**

Sr. No.	Promoter and Promters group name	<b>As on 31<sup>st</sup> March 2025</b>		<b>As on 31<sup>st</sup> March 2024</b>		<b>% Change during the year</b>
		<b>No. of Shares</b>	<b>% of total Shares of the company</b>	<b>No. of Shares</b>	<b>% of total Shares of the company</b>	
1	Pradip D. Kothari	13,66,288	1.47	13,66,288	10.94	(9.47)
2	Surekha P. Kothari	1,11,323	0.12	1,11,323	0.89	(0.77)
3	Maya D. Kothari	76,410	0.08	76,410	0.61	(0.53)
4	Mitali P. Kothari	1,68,090	0.18	1,68,090	1.35	(1.17)
5	Piyali P. Kothari	2,03,056	0.22	2,03,056	1.63	(1.41)
6	Antara P. Kothari	1,80,492	0.19	1,80,492	1.45	(1.26)
7	Asha Thayer	1,03,890	0.11	1,03,890	0.83	(0.72)
8	Solaman Investments	3,60,000	0.39	3,60,000	2.88	(2.49)
9	Kothari & Sons Nominees Pvt. Ltd.,	1,07,526	0.12	1,07,526	0.86	(0.74)
10	G. Mohan Das	450	-	450	-	-
11	N.K. Sukkal	450	-	450	-	-
12	N.Ravichandran	60	-	60	-	-
13	N. Santharam	1	-	1	-	-
14	A.R. Raja	1	-	1	-	-
15	D. Ravindra Reddy	1	-	1	-	-
16	A. RabindranSwamidason	-	-	-	-	-
17	K. Santhanam	-	-	-	-	-
18	T. Sankaran	-	-	-	-	-
19	Rafiq Ahmed	4,15,90,734	44.86	-	-	44.86
	<b>Total</b>	<b>4,42,68,772</b>	<b>47.74</b>	<b>26,78,038</b>	<b>21.44</b>	<b>26.30</b>

**Rs. in Lakhs**

<b>Additional Disclosures</b>	
Out of the Paid-up Capital	
(i) 22,25,850 Equity Shares of Rs.10/- each were allotted as fully paid on amalgamation in February 1972 for consideration other than cash.	
(ii) 8,29,760 Equity Shares of Rs.10/- each fully paid were allotted for consideration other than cash to certain financial institutions on conversion of part of secured loans, in the year 1981.	
(iii) 20,00,000 Equity Shares of Rs.10/- each fully paid were allotted for consideration other than cash on 01.10.1983 as per the terms of issue to the holders of 13.5% Convertible Secured Debentures issued to the Public.	
(iv) 45,68,200 Equity Shares of Rs.10/- each were allotted on 25.08.93 as fully paid on part conversion of 16% Secured Partly convertible Redeemable Debentures allotted on 25.02.93.	
(v) In accordance with the shareholders' consent obtained at the 39th Annual General Meeting held on 14th December 2009, the company allotted 66,27,000 equity shares of Rs 5/- each, aggregating to Rs 331.35 lakhs, to promoters and associates on 31 <sup>st</sup> March 2016.  Subsequently, these shares were cancelled based on the order of the National Company Law Tribunal (NCLT) dated 10 <sup>th</sup> May 2024.	
(vi) The consent terms filed on 05.03.2000 with the Supreme Court and decreed by the said Court in the matter of share allotment and sale of 5.33 grounds of land effects of the decree has not been considered in the books of accounts of the company, since the consent decree terms are yet to be implemented. A suit has since been filed in Madras High Court for implementation of the scheme.	
(vii) During the year, NCLT, Chennai vide its order dated 10.05.2024 had allowed for reduction of share capital from Rs. 9,55,54,425 to Rs 6,24,19,425. Pursuant to NCLT order on reduction of capital, Promoters and Promoters group holding reduced from 93,05,038 to 26,78,038 shares.	
(viii) During the year 2024-2025 the Company made the following Preferential allotments of 3,00,00,000 shares as on 29.07.2024, 3,52,00,000 shares as on 20.01.2025 and 1,50,34,220 shares as on 27.03.2025.	
(ix) During the year 2024-2025 the Company made the following Preferential allotments of 3,00,00,000 shares as on 29.07.2024, 3,52,00,000 shares as on 20.01.2025 and 1,50,34,220 shares as on 27.03.2025.	

15.		31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
	<b>Reserves and Surplus</b>		
	Capital Reserves	2,631.90	2,631.90
	Capital Redemption Reserves	349.35	349.35
	Revenue reserves		
	Retained Earnings	(6,626.55)	(5,013.80)
	Fixed Asset Reserves	24.10	24.10
	Debenture Redemption Reserves		
	Revaluation Reserves	2,164.72	2,164.72
	Other Reserves		
	Security Premium	14,875.46	-
	<b>Total</b>	<b>13,418.98</b>	<b>156.27</b>

## Kothari Industrial Corporation Limited

Rs. in Lakhs

16.		31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
	<b>Long-term borrowings</b>		
	Secured		
	Term Loans		
	- From Banks (Non - Current)	28.85	21.55
	<b>Total</b>	<b>28.85</b>	<b>21.55</b>

Term loan of Rs. 29 lakhs from ICICI Bank is taken for purchase of vehicle at interest rate of 9.10% repayable in 48 installments commencing from 10/02/2024. Secured on a first charge on the Vehicle and the creation of charge has been filed with the ROC.

Term loan of Rs. 22 lakhs from HDFC Bank is taken for purchase of vehicle at interest rate of 9.01% repayable in 39 installments commencing from 07/01/2025. Secured on a first charge on the Vehicle and the creation of charge has been filed with the ROC.

The Company has used the borrowings from banks and financial institutions for the specific purpose for which they were obtained.

No loans have been guaranteed by the Directors of the Company or any other person.

17.		31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
	<b>Provisions</b>		
	Non Current - Due to Gratuity	29.99	19.94
	Current - Due to Gratuity	7.16	5.84
	<b>Total</b>	<b>37.15</b>	<b>25.78</b>

The Company's liability towards Gratuity to employees has been provided in accordance with the Indian Accounting Standard No. 19 on "Retirement Benefits"

18.		31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
	<b>Current borrowings</b>		
	Secured		
	Term Loans		
	- Current maturities of long term borrowings from Banks	13.23	6.38
	Unsecured		
	- From Promoters	180.95	180.95
	- From Related party	281.94	3,122.07
	- Others	-	-
	<b>Total</b>	<b>476.12</b>	<b>3,309.40</b>

Interest free borrowings from promoters and related parties are repayable on demand.

19.		31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
	<b>Trade Payables</b>		
	Total outstanding dues of micro and small enterprises	3.38	39.04
	Total outstanding dues of creditors other than micro and small enterprises	772.95	345.38
	<b>Total</b>	<b>776.33</b>	<b>384.42</b>

Rs. in Lakhs

**(i) Trade Payable ageing Schedule - year ended 31<sup>st</sup> March 2025**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	3.38	-	-	-	3.38
(ii) Others	772.95	-	-	-	772.95
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
<b>Total</b>	<b>776.33</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>776.33</b>

**(ii) Trade Payable ageing Schedule - year ended 31<sup>st</sup> March 2024**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) MSME	39.04	-	-	-	39.04
(ii) Others	345	-	-	-	345.38
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
<b>Total</b>	<b>384.42</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>384.42</b>

**(iii) Disclosure required under the Micro, Small & Medium Development Act, 2006**

	Amount as on	
	31 <sup>st</sup> March of Current Year	31 <sup>st</sup> March of Previous Year
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
(a) Principal amount due	3.38	39.04
(b) Interest due on above		
ii) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.		
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.		
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.		
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.		

**Kothari Industrial Corporation Limited**
**Rs. in Lakhs**

20.		31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
	<b>Other Financial Liabilities</b>		
	Statutory dues including PF and TDS	50.64	430.88
	Salaries & Wages Payable	110.51	135.44
	Income Tax Provisions	-	137.24
	Outstanding Expenses payable	74.66	7.90
	Others	227.03	274.55
	<b>Total</b>	<b>462.83</b>	<b>986.01</b>
21.		31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
	<b>Other Current liabilities</b>		
	Advances from Customers	163.37	155.48
	<b>Total</b>	<b>163.37</b>	<b>155.48</b>
22.		31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
	<b>Revenue from Operations (for companies other than a finance company)</b>		
	Revenue from - Sale of Fertilisers	1,084.55	275.31
	Other operating revenue *	336.85	5.50
	Revenue from - Sale of Food	1,338.74	-
	Revenue from - Sale of Footwear	5,830.14	-
	Revenue from -Sainten, mask & rusk and Drone	73.31	1,015.69
	<b>Total</b>	<b>8,663.59</b>	<b>1,296.50</b>

\* Operating revenue includes Lease Rental Income

23.		31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
	<b>Other Income</b>		
	Rent received	-	-
	Interest Revised(last year interest)	-	1,126.66
	Bank Interest Received	4.36	2.52
	Royalty Receipts	6.78	67.02
	Discount received	-	1.41
	Provisions no longer Required	-	85.33
	Assets and Liabilities written back	-	-
	- Other Income	85.50	134.68
	<b>Total</b>	<b>96.64</b>	<b>1,417.61</b>

Rs. in Lakhs

24.		31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
	<b>Changes in inventory of finished goods and Work in progress</b>		
	(Increase)/decrease in stock:		
	Stock at the end of the year:		
	Finished goods	680.42	86.82
	Land held as stock-in-Trade	51.93	51.93
	<b>Total A</b>	<b>732.35</b>	<b>138.75</b>
	Stock at the beginning of the year:		
	Finished goods	86.82	115.91
	Land held as stock-in-Trade	51.93	51.93
	<b>Total B</b>	<b>138.75</b>	<b>167.84</b>
	<b>Total</b>	<b>(593.60)</b>	<b>29.08</b>

Note : Stock-in-trade includes land located in Conoor, valued at a cost of Rs. 51.93 lakhs. The valuation of this land is based on the historical cost method. This cost-based valuation reflects the purchase price and any related costs incurred to acquire the land. There has been no revaluation or impairment of the land in the current financial period.

25.		31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
	<b>Employee Expense</b>		
	Salaries and wages	925.12	757.77
	Gratuity	15.86	18.36
	Contribution to PF	29.64	40.18
	Expense on Employees stock option scheme (ESOP) and Employee stock purchase plan (ESPP)	-	-
	Staff welfare expenses	49.43	45.44
	<b>Total</b>	<b>1,020.05</b>	<b>861.74</b>

26.		31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
	<b>Finance Costs</b>		
	Interest	189.99	270.92
	Other borrowing costs	-	-
	Applicable net gain/ loss on foreign currency transactions/ translation	-	-
	<b>Total</b>	<b>189.99</b>	<b>270.92</b>

**Kothari Industrial Corporation Limited**
**Rs. in Lakhs**

27.		31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
	<b>Other Expenses</b>		
	Consumption of stores and Packing Materials	-	-
	Power and fuel	29.27	40.00
	Rent	295.91	191.79
	Audit Fees		
	- Statutory Audit	4.00	3.00
	- Tax Audit	1.00	0.50
	- Other Audit	1.50	-
	Repairs to buildings	50.62	16.33
	Repairs others	80.16	79.44
	Director Sitting Fee	-	0.11
	Insurance	2.09	-
	Rates & Taxes	0.14	2.29
	Travelling expenses	196.79	111.62
	Telephone expenses	7.57	7.48
	Postage & Courier	14.21	12.92
	Conveyance	34.05	36.08
	Security charges	30.36	30.58
	Printing & Stationery	10.56	6.53
	Professional Charges	290.91	167.80
	Bank charges	3.15	(0.33)
	Duty Draw Back & Creditors Written back	-	0.26
	Selling Expenses	394.09	165.49
	Advance Written off-	-	35.07
	Office Maintenance	71.36	36.20
	Other Manufacturing expenses	185.19	15.14
	Provision for Debtors	13.67	10.27
	Advertisement Charges	254.05	-
	Legal Charges	13.08	-
	Share Capital - Preliminary Expenses	40.00	-
	Other Expenses	315.16	610.90
	<b>Total</b>	<b>2,338.89</b>	<b>1,579.46</b>
	<b>Other Expenses</b>		
28.		31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
	<b>Exceptional Items</b>		
	Profit / (Loss) on sale of Assets	-	4,967.16
	Provision for Expenses	-	-
	<b>Total</b>	<b>-</b>	<b>4,967.16</b>
29.	Earnings / (Loss) per Share - Calculation of weighted average number of Equity Shares of Rs. 5 each:		
	<b>Particulars</b>	<b>31<sup>st</sup> March 2025</b>	<b>31<sup>st</sup> March 2024</b>
	<b>Profit after tax as per Statement of Profit and Loss (Rs. in Lakhs)</b>	(1,616.82)	3,169.31
	Number of shares of Rs. 5/- each	9,27,18,105.00	1,24,83,885.00
	Basic & Diluted Earnings(in Rupees) per Share	(1.74)	26.27

Rs. in Lakhs

30.	Related Parties Disclosure: Particulars of transaction with related parties		
	Description	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
	<b>(a) Remuneration with Key Managerial Personnel</b>		
	Mr. Rafiq Ahmed	60.00	60.00
	Mr. Vijayaraghavan	-	6.76
	Mr. Hari Kishore	35.10	7.69
	Mr. Anil Kumar Padhiali	18.20	11.31
		53.30	25.75
	<b>(b) Payment to Directors (Sitting Fees)</b>		
	Mr. D Gunasekaran	-	0.11
	Mr. V Anburaj	0.40	-
	<b>Total</b>	<b>0.40</b>	<b>0.11</b>

**Name of the Key Management Personnel and Directors:**

- (i) Mr. Rafiq Ahmed - Executive Chairman and Managing Director
- (ii) Mr. V Anburaj - Independent Director
- (iii) Gunasekaran - Independent Director
- (iv) T A Raja Laxmi - Non independent Director
- (v) Mr. Anil Kumar Padhiali - Company Secretary (Appointed w.e.f. 19-03-2018)
- (vi) Mr. Hari Kishore - Chief Financial Officer (Appointed w.e.f. 14-02-2024)

**Related parties under IND AS 24 with whom transactions have taken place during the year:**

Name of the Related Party	Nature of relationship
Gemini Fertilizers	Mr. Rafiq Ahmed, Managing director of the company is sole proprietor of Gemini fertilizer
Rafiq Ahmed	Mr. Rafiq ahmed is Managing direrctor of the company.
Gemini Legal Consultancy Private Limited	Mr. Rafiq Ahmed, Managing director of the company was director in the related party company.
Kothari's My Park King Solutions Private Limited	Mr. Rafiq Ahmed, Managing director of the company is director in the related party company.
Gemini Iron And Steels Private Limited	Mr. Rafiq Ahmed, Managing director of the company was director in the related party company.
Phoenix Kothari Footwear Limited	Mr. Rafiq Ahmed, Managing director of the company is director in the related party company.
Top guard International Security Force Private Limited	Mr. Rafiq Ahmed, Managing director of the company is director in the related party company.
Parveen Roadways Private Limited	Mr. Rafiq Ahmed, Managing director of the company is director in the related party company.
Flyeasy Aviation Services Private Limited	Mr. Rafiq Ahmed, Managing director of the company is director in the related party company.
Kothari Marine International Limited	Mrs. T.A Rajalaxmi is director in the related party company.
JR Trading and Services WLL	Mr. Rafiq Ahmed, Managing director of the company is a partner and shareholder in the related party company.

# Kothari Industrial Corporation Limited

Rs. in Lakhs

Nature of Transaction	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
<b>a) Transaction during the year</b>		
<u>Lunch Sales</u>		
JR One Kothari Footwear Private Limited	96.83	24.16
Top guard International Security Force Private Limited	5.56	5.00
<u>Maintenance Services</u>		
Phoenix Kothari Footwear Limited	82.21	71.76
<u>Security Charges</u>		
Top guard International Security Force Private Limited	30.36	30.58
<u>Footwear Sales</u>		
JR Trading and Services WLL	85.79	-
<b>b) Balances outstanding as at year end</b>		
<u>Investment</u>		
Kothari Marine International Limited	-	9.99
Kothari's My Park King Solutions Private Limited	0.19	0.19
<u>Security Deposit</u>		
Parveen Roadways Private Limited	795.83	795.83
Gemini Mineral Pvt Ltd	7.91	7.91
<u>Loans &amp; Advances</u>		
Parveen Roadways	2,404.00	-
Parveen Roadways Private Limited	140.34	151.31
Kothari's My Park King Solutions Private Limited	26.76	18.75
Flyeasy Aviation Services Private Limited	-	0.05
Kothari (Madras) International Limited	890.92	575.29
Phoenix Kothari Footwear Limited	7,000.00	-
<u>Trade Receivables</u>		
JR One Kothari Footwear Private Limited	1.99	-
Gemini Legal Consultants Private Limited	-	15.65
Phoenix Kothari Footwear Limited	1.06	6.23
<u>Trade Payables</u>		
Gemini Fertilizers	0.00	87.12
Top Guard International Security Force Private Limited	3.38	39.04
JR Trading and Services WLL	85.79	-
<u>Loan</u>		
Rafiq Ahmed - Managing Director	-	2,811.55
<u>Financial Costs &amp; Other receivables</u>		
Rafiq Ahmed - Managing Director	154.02	184.64
<u>Advance payable</u>		
Gemini Iron and Steel Private Limited	-	72.09

Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

- (a) repayable on demand; or
- (b) without specifying any terms or period of repayment.

Rs. in Lakhs

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter	-	-
Director	-	-
KMPs	<b>0.30</b>	<b>0.03%</b>
Related parties		

### 31. Ratio Analysis

S.No.	Particulars	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024	% of changes	Reason for variance
<b>1</b>	<b>Current Ratio</b> Current Assets/Current Liabilities	7.41	0.25	29.04	Due to increase in business, Current assets have been increased and current liabilities were paid.
<b>2</b>	<b>Debt Equity Ratio</b> Outside Liabilities/Equity	0.11	5.81	(0.98)	Decrease in D/E ratio is due to increase in other payables in current liabilities and decrease in share capital.
<b>3</b>	<b>Debt Service Coverage Ratio</b> Net Operating Income/Debt Obligation	-6.92	12.79	(1.54)	Due to Loss DSCR becomes Negative.
<b>4</b>	<b>Return On Equity Ratio</b> Net Profit After Tax/Paid Up Capital	-0.09	4.06	(1.02)	Due to Loss ROE becomes Negative.
<b>5</b>	<b>Inventory Turnover Ratio</b> Cost Of Goods Sold/Inventory	19.06	8.46	1.25	Due to increase in revenue from operation.
<b>6</b>	<b>Trade Receivables Turnover Ratio</b> Sales/Receivables	23.83	8.92	1.67	Due to increase in revenue from operation.
<b>7</b>	<b>Trade Payable Turnover Ratio</b> Purchases/Trade Payables	11.79	11.40	0.03	Due to increase in operation purchase cost increases.
<b>8</b>	<b>Net Capital Turnover Ratio</b> Net Sales/Average Working Capital	0.72	-0.40	(2.80)	Due to increase in sales, Current Assets and reduction in current liabilities.
<b>9</b>	<b>Net Profit Ratio</b> Net Profit After Tax/Net Sales	-0.19	2.44	(1.08)	Due to loss in the current year
<b>10</b>	<b>Return On Capital Employed</b> EBIT/Capital Employed	-0.15	2.05	(1.07)	Due to loss in the current year
<b>11</b>	<b>Return On Investments</b> Net Profit After Tax/Investments	-0.08	0.63	(1.13)	Due to loss in the current year

**32. Employee Benefit Obligations**
**(a) Defined Contribution Plan**

The Company makes provident fund contributions to the fund maintained with the office of Regional Provident Fund Commissioner. The company has recognized Rs. 29,63,977/- (Previous year Rs. 40,17,763/-) in the Statement of Profit and Loss under 'Contribution to provident and other funds'.

**(b) Defined Benefit Plan**

The Company has a gratuity benefit plan applicable to all employees. Employees are eligible for gratuity as per the provisions of the Payment of Gratuity Act, 1972, with a vesting period of five years of service, on resignation, retirement or death.

The following tables summarize the components of the net benefit expenses recognized in the Statement of Profit and Loss and the unfunded status and amounts recognized in the balance sheet for the gratuity benefit plan.

**(Rs in Lakhs)**

Particulars	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
<b>Change in Present Value of Obligation</b>		
Present value of DBO at beginning of the year	25.78	126.55
Interest Cost	1.65	9.11
Current Service Cost	14.22	9.25
Past service cost - Vested Benefits	-	-
Benefits Paid	(0.42)	(9.17)
Actuarial (gain)/loss on obligation	(4.07)	(109.96)
<b>Present value of the obligation at the end of the year</b>	<b>37.15</b>	<b>25.78</b>
<b>Change in Plan Assets</b>		
Plan assets at year beginning, at fair value	-	-
Expected return on plan assets	-	-
Actuarial gain / (loss)	-	-
Contributions	-	-
Benefits paid	-	-
<b>Fair value of Plan Assets at the end of the year</b>	<b>-</b>	<b>-</b>
Particulars	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
<b>Amounts Recognized in the Balance Sheet:</b>		
Present value of obligation as at the end of the year	37.15	25.88
Fair value of plan assets as at the end of the year	-	-
Net Obligation at the end of the year	37.15	25.88
Net asset / (liability) recognized - Current	7.16	5.84
Net asset / (liability) recognized - Non - Current	29.99	19.94
	<b>37.15</b>	<b>25.78</b>
<b>Net gratuity cost for the year ended</b>		
Current Service Cost	14.22	9.25
Interest Cost	1.65	9.11
Expected return on plan assets	-	-
Past Service Cost (Vested benefit) Recognized	-	-
Net Actuarial (gain)/loss recognized	(4.07)	(109.96)
<b>Net gratuity cost recognized in the Statement of Profit and Loss</b>	<b>11.79</b>	<b>(91.60)</b>
<b>Actuarial Assumptions</b>		
Discount Rate	0.07	0.07
Salary escalation rate	0.10	0.10

### (C) Other employee benefits

**Compensated Absences:** The Company provides for the encashment of leave or leave with pay to employees. The employees are entitled to accumulate leave subject to certain limits, for future availment/ encashment. The liability is provided based on the number of days of unutilized days of leave at each Balance sheet date on the basis of year-end actuarial valuation using projected unit credit method. The scheme is unfunded.

(Rs in Lakhs)

Particulars	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
Liability at the beginning of the year	1.83	-
Leave salary cost accounted for the year (Net)	-	1.83
<b>Total Liability as at the end of the year</b>	<b>1.83</b>	<b>1.83</b>

Note : Refer Note No.14 for Provisions

**IND AS 19 – Employee Benefits:** The Company has made the following disclosures as per IND AS 19:

**Investment Risk:** The present value of the defined benefit obligation is calculated using a discount rate determined by reference to market yields on government bonds at the end of the reporting period.

**Interest Rate Risk:** A decrease in the bond interest rate will increase the plan liability.

**Salary Risk:** Higher-than-expected salary increases will increase the defined benefit obligation.

**Longevity Risk:** The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of plan participants.

**Attrition Rate:** The actuarial assumption for employee attrition is based on the Company's past history.

**Expected Rate of Return on Plan Assets:** The expected rate of return on plan assets is based on the average long-term rate of return expected on investments of the fund during the estimated term of the obligation.

### 33. Notes to the financial statements

Year ended 31 March 2024 (Rs. In Lakhs)	Fertilizers	Drone	FMCG	Hotel	Leather	Total reportable segments	Others (HO)	Total
External revenues	1,121.62	77.73	0.75	1,336.29	6,010.29	<b>8,546.68</b>	217.61	<b>8,764.30</b>
Inter-segment revenue	-	-	-	-	-	-	-	-
<b>Segment revenue</b>	<b>1,121.62</b>	<b>77.73</b>	<b>0.75</b>	<b>1,336.29</b>	<b>6,010.29</b>	<b>8,546.68</b>	<b>217.61</b>	<b>8,764.30</b>
<b>Segment profit (loss) before tax</b>	100.82	(87.05)	(44.26)	(352.76)	(336.79)	<b>(720.04)</b>	(892.70)	<b>(1,612.74)</b>
Interest income	-	-	-	-	-	-	12.28	<b>12.28</b>
Interest expense	-	-	-	-	-	-	189.99	<b>189.99</b>
Depreciation and amortization	-	-	-	-	-	-	112.76	<b>112.76</b>
<b>Segment assets</b>	1,868.36	73.04	(59.26)	(305.50)	(345.36)	<b>1,231.29</b>	17,768.02	<b>18,999.30</b>
<b>Segment liabilities</b>	(19.58)	323.97	103.37	286.17	625.97	<b>1,319.92</b>	(375.50)	<b>944.42</b>

# Kothari Industrial Corporation Limited

Rs. in Lakhs

Year ended 31 March 2024 (Rs. In Lakhs)	Fertilizers	Drone	FMCG	Hotel	Leather	Total reportable segments	Others (HO)	Total
External revenues	276.72	329.32	16.70	608.92	51.23	1,282.89	1,431.22	2,714.12
Inter-segment revenue	-	-	-	-	-	-	-	-
<b>Segment revenue</b>	<b>276.72</b>	<b>329.32</b>	<b>16.70</b>	<b>608.92</b>	<b>51.23</b>	<b>1,282.89</b>	<b>1,431.22</b>	<b>2,714.12</b>
<b>Segment profit (loss) before tax</b>	(14.01)	(18.17)	(43.12)	(193.22)	(501.28)	(769.81)	4,049.08	3,279.27
Interest income	-	2.45	-	-	-	2.45	0.06	2.52
Interest expense	-	-	-	-	-	-	270.92	270.92
Depreciation and amortization	-	-	-	-	-	-	-	-
<b>Segment assets</b>	1,889.86	(10.40)	(12.20)	(254.44)	(348.36)	1,264.47	3,897.79	5,162.26
<b>Segment liabilities</b>	102.74	153.49	106.18	(12.77)	286.18	635.82	3,745.96	4,381.78

## Operating segments

### Reconciliations of information on reportable segments to the amounts reported in the financial statements

Rs. in Lakhs

Particulars	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
<b>i. Revenues</b>		
Total revenue for reportable segments	8,546.68	1,282.89
Revenue for other segments	217.61	1,431.22
Elimination of inter-segment revenue	-	-
Elimination of discontinued operations	-	-
<b>Consolidated revenue</b>	<b>8,764.30</b>	<b>2,714.12</b>
<b>ii. Profit before tax</b>		
Total profit before tax for reportable segments	(720.04)	(769.81)
Profit before tax for other segments	(892.70)	4,049.08
Elimination of inter-segment profit	-	-
Elimination of discontinued operation	-	-
<b>Consolidated profit before tax from continuing operations</b>	<b>(1,612.74)</b>	<b>3,279.27</b>
<b>iii. Assets</b>		
Total assets for reportable segments	1,231.29	1,264.47
Assets for other segments	17,768.02	3,897.77
<b>Consolidated total assets</b>	<b>18,999.30</b>	<b>5,162.24</b>
<b>iv. Liabilities</b>		
Total assets for reportable segments	1,319.92	635.82
Liabilities for other segments	(375.50)	3,745.96
<b>Consolidated total liabilities</b>	<b>944.42</b>	<b>4,381.78</b>

Rs. in Lakhs

**Reconciliations of information on reportable segments to the amounts reported in the financial statements**
**Other material items**

<b>Year ended 31<sup>st</sup> March 2025</b>	<b>Reportable segment totals</b>	<b>Adjustments</b>	<b>Consolidated totals</b>
Interest income	12.28	-	12.28
Interest expense	189.99	-	189.99
Depreciation and amortization	112.76	-	112.76

<b>Year ended 31<sup>st</sup> March 2024</b>	<b>Reportable segment totals</b>	<b>Adjustments</b>	<b>Consolidated totals</b>
Interest income	2.52	-	2.52
Interest expense	270.92	-	270.92
Depreciation and amortization	-	-	-

34. In accordance with IND AS 12 - "Income Taxes," the company has recognized a deferred tax asset amounting to INR 45,39,133/-. This recognition is based on the reasonable certainty of the availability of future taxable profits against which this deferred tax asset can be utilized.
35. With respect to the pending litigations, the company has not provided for additional financial commitment over and above the amount due and appearing in the books of accounts to the various litigations.
36. During the financial year 2023-24, the Company sold its land and plant & machinery at Ennore to Coromandel International Limited for ₹50.28 crore. However, the Sub-Registrar valued the land and plant & machinery at ₹128.74 crore and ₹8.51 crore, respectively, and stamp duty was paid on these values. In case of any action initiated by the Income Tax Assessing Officer, the Company intends to seek a valuation assessment from the Income Tax Valuation Officer. Based on the outcome of such assessment, the Company will proceed with filing an appropriate appeal, if required
37. The figures in brackets relate to Previous year and regrouped / reclassified to confirm to the requirements of schedule III .
38. No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other source or kind of funds) by the company to or in any other person(s) or entity(ies) including foreign entities ("intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary, shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate beneficiaries as per Clause (e)(i) of Rule 11 of Companies Audit and Auditors Rules, 2014.
39. No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding parties"), with the understanding, whether recorded in writing or otherwise, 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 as per Clause (e)(ii) of Rule 11 of Companies Audit and Auditors Rules, 2014.
40. The proceedings initiated by the Collector of Nilgiris for the repossession of certain plots of land in Coonoor, earmarked for public use, have been challenged by the company through a writ petition filed before the Madras High Court. The matter is currently pending adjudication.

## Kothari Industrial Corporation Limited

### 41. Contingent liabilities and commitments (to the extent not provided for):

- a) Income Tax Liability: For FY 2021-22, creating a contingent liability for income tax Notice of Demand under Section 156 of the Income-Tax Act, 1961, Rs. 95.34 lakhs (FY 2023-24: Rs. 95.34 lakhs)
- b) Legal Opinion on Land Dispute: the legal opinion on the 5.33 acres land dispute. This dispute concerns the parking area at the Nungambakkam head office and is still pending in court. Rs 882.80 lakhs (FY 2023-24: Rs. 882.80 lakhs)
- c) Ennore Land Sale: The company sold the Ennore factory during FY 2024-24. As per Section 50C, the company is required to pay capital gains tax on the fair market value of the property, which is INR 110 crores. Rs 1284.67 lakhs (FY 2023-24: Rs 1284.67 lakhs)"

### 42. Subsequent to the submission of financial results under Regulation 33 of SEBI (LODR) for FY 2024-25, the Company has regrouped certain items in the audited financial statements presented in this Annual Report. These changes have been made to enhance clarity and align with the revised presentation format adopted by the Company.

The regrouping does not impact the previously reported profit/loss or total equity. Comparative figures have been restated accordingly.

#### As per our Report of even date attached

**For Ray & Ray**  
**Chartered Accountants**  
**Regn.No.301072E**  
  
**Swetha Srinivasan**  
**Partner**  
**Membership No. 240553**  
**Place: Chennai**  
**Date : 30.05.2025**

#### For and on behalf of the Board of Directors

<b>T.A. Rajalaxmi</b> <b>Director</b> <b>DIN : 08148628</b>	<b>J. Rafiq Ahmed</b> <b>Executive Chairman &amp;</b> <b>Managing Director</b> <b>DIN : 02861341</b>
<b>Anil Kumar Padhiali</b> <b>Company Secretary</b>	<b>Hari Kishore</b> <b>Chief Financial Officer</b>

## Note No. 43

### Other Informations:

- 1. Going Concern Disclosure :** The financial statements have been prepared on a going concern basis, which assumes that the Company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business.
- 2. IND AS 113 – Fair Value Measurement :** The Company has applied IND AS 113 to measure the fair value of its financial instruments and other assets as required. The fair value hierarchy used for measurement and disclosures is in accordance with the prescribed levels in IND AS 113.
- 3. Financial Risk Management :** The Company is exposed to various financial risks, including market risk, currency risk, credit risk, and liquidity risk. The Company's risk management framework is designed to identify and mitigate these risks:

**Market Risk:** The Company manages market risk through diversification and hedging strategies.

**Currency Risk:** Exposure to currency risk is managed through forward contracts and natural hedges.

**Credit Risk:** The Company manages credit risk by setting credit limits and monitoring the creditworthiness of customers.

**Liquidity Risk:** The Company maintains sufficient cash and liquid investments to meet its obligations.

The following table demonstrates the sensitivity to a reasonably possible change in exchange rates, with all other variable held constant. The impact of the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Particulars	Changes in rate	Foreign currency receivable/payable (net)	Effect on profit before tax
March 31, 2025		USD in lakhs	USD in lakhs
	0%	1.06	0
	+5%	1.12	0.05
	-5%	1.01	-0.05
		EUR in lakhs	EUR in lakhs
	0%	(0.07)	0
	+5%	-0.07	-0.00
	-5%	-0.06	0.00

March 31, 2024		USD in lakhs	USD in lakhs
	0%	0.17	
	+5%	0.18	0.01
	-5%	0.16	-0.01
		EUR in lakhs	EUR in lakhs
	0%	0.33	
	+5%	0.35	0.02
	-5%	0.31	-0.02

The following table shows the effect of price change in securities measured at FVTPL/FVOCI

All the investments of the Company are unlisted equity shares which are carried at cost. Since these investments are not subject to fair value or NAV fluctuations, there is no impact of price changes, and accordingly, no such disclosure is applicable.

## Kothari Industrial Corporation Limited

The Company's exposure to credit risk for trade receivables by geographic location is as follows:

Particulars	Carrying amount	
	March 31, 2025	March 31, 2024
India	458.13	132.49
Outside India	94.41	42.08
<b>Total</b>	<b>552.54</b>	<b>174.56</b>

### Movement of allowance for impairment

Particulars	Expected credit loss	
	March 31, 2025	March 31, 2024
<b>Opening balance</b>	<b>10.27</b>	<b>276.64</b>
<b>Add: Provisions</b>	<b>13.27</b>	
<b>Less: utilisation</b>	<b>7.92</b>	<b>266.38</b>
<b>Closing balance</b>	<b>15.61</b>	<b>10.27</b>

The following table shows maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows alongwith its carrying value as at the Balance sheet date.

Particulars	Contractual cash flows 1 year or less	More than 1 year	Total carrying amount
<b>Liabilities</b>			
<b>March 31, 2025</b>			
Trade payable	776.33	0	776.33
Other financial liabilities	484.39	0	484.39
<b>March 31, 2025</b>			
Trade payable	384.42	0	384.42
Other financial liabilities	986.01	0	986.01

### Interest Rate Sensitivity analysis

The Company considering the economic environment in which it operates has determined the interest rate sensitivity analysis (interest exposure) at the end of the reporting period. The interest rate for the Company are fixed rates and this analysis is prepared assuming the amount of the borrowings outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point +/- fluctuation in the interest rate is used for disclosing the sensitivity analysis.

Particulars	(Rs in lakhs)	
	Impact on Profit before tax	
	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
Interest rates - increase by 50 basis points	0.14	0.03
Interest rates - decrease by 50 basis points	-0.14	-0.03

The interest rate sensitivity analysis is done holding on the assumption that all other variables remaining constant.

### 4. Capital Management

The Company's objective when managing capital are to:

- safeguard the Company's ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may vary the distribution of dividends to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital structure of the Company consists of debt and total equity of the Company and monitors capital, based on this capital structure's gearing ratio.

The gearing ratio at the end of the reporting period is computed as follows:

Particulars	(Rs in lakhs)	
	As at 31,03.2025	As at 31,03.2024
i) Debt	2,003.48	4,924.13
ii) Equity share capital	4,635.91	624.19
iii) Other equity	13,418.98	156.27
v) Total equity [(ii) + (iii) + (iv)]	18,054.89	780.46
vi) Debt to equity ratio (times)	11%	631%

#### 5. Additional Disclosures: :

- The Company has not traded or invested in cryptocurrency or virtual currency during the financial year.
- The Company does not have any transactions not recorded in the books of accounts that have been surrendered or disclosed as income during the year under the Income Tax Act, 1961.
- The Company has complied with the number of layers prescribed under section 2(87) of the Companies Act, 2013.
- The Company has not been declared a wilful defaulter by any bank, financial institution, or lender during the year.
- The Company does not have any charges or satisfaction pending for registration with ROC beyond the statutory period.
- Quarterly returns or statements of current assets filed with banks or financial institutions are in agreement with the books of accounts.
- The Company does not have any transactions with companies that have been struck off.
- The Indian Parliament has approved the Code on Social Security, 2020, which may impact contributions towards Provident Fund and Gratuity. The Company will assess the impact and provide appropriate disclosures once the corresponding rules are notified.
- No dividend have been paid/provided during the year ended 31<sup>st</sup> March 2025
- No Transfers Between Levels of Fair Value Hierarchy: There have been no transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments during the period.
- The Company has not received any whistle-blower complaints during the year.
- No Changes in Classification of Financial Assets: There have been no changes in the classification of financial assets into those at amortized cost, fair value through OCI, or fair value through P&L, during the period.
- There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

## Kothari Industrial Corporation Limited

- n) Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standard ) Rules, as issued from time to time. For the year ended March 31, 2025, MCA has notified IND AS 117 Insurance Contracts and amendments to IND AS 116 Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

### 6. Category-wise Classification of Financial Instruments:

Financial Assets Measured at Amortized Cost: Rs. 14,347.64 lakhs (Previous year Rs.1959.39 lakhs)

Financial Assets Measured at FVTPL: NIL

Financial Assets Measured at FVTOCI: NIL

Financial Liabilities Measured at Amortized Cost: Rs. 1744.13 lakhs (Previous year: Rs. 4701.38 lakhs)

### 7. Significant Changes:

Expansion of Kickers Retail Business

KICL has commenced retail operations for the Kickers brand under a 30-year license agreement with Groupe Royer, France. As of 31<sup>st</sup> March 2025, the Company has opened two exclusive brand outlets, including one at VR Mall, Chennai. Future plans include the launch of 100 exclusive stores, 700 multi-brand outlet (MBO) counters, and online presence across India and eight neighbouring countries.

### 8. No Correction of Prior Period Errors : There has been no correction of prior period errors during the period.

### 9. Appointment of Company Secretary : The Company Secretary of the Company was appointed from 19-03-2018.

### 10. Approval of Financial Statements : The financial statements were approved for issue by the Audit Committee and the Board of Directors at their respective meetings conducted on 30-05-2025.

As per our Report of even date attached

For Ray & Ray  
Chartered Accountants  
Regn.No.301072E

Swetha Srinivasan  
Partner  
Membership No. 240553  
Place: Chennai  
Date : 30.05.2025

For and on behalf of the Board of Directors

T.A. Rajalaxmi  
Director  
DIN : 08148628

Anil Kumar Padhiali  
Company Secretary

J. Rafiq Ahmed  
Executive Chairman &  
Managing Director  
DIN : 02861341

Hari Kishore  
Chief Financial Officer





*If undelivered please return to :*

**KOTHARI INDUSTRIAL CORPORATION LIMITED**

Regd. Office : "Kothari Buildings" Box No. 3332,  
No. 114, Mahatma Gandhi Salai,  
Nungambakkam, Chennai - 600 034.