HINDOOSTAN MILLS

August 11, 2025

The General Manager,
Department of Corporate Services – Listing,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001.

Scrip Code: 509895

Dear Sir,

Sub: Notice of 121st Annual General Meeting and Submission of Annual Report of the company for the Financial Year 2024-25

Pursuant to Regulations 30 and 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report including Notice of Annual General Meeting for the Financial Year 2024-2025. Annual General Meeting of the Company is scheduled to be held on **Thursday, September 04, 2025** through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") **at 11.30 A.M.**

In accordance with the MCA and SEBI Circulars, the Annual Report together with the Notice of the AGM has been dispatched through electronic mode on August 11, 2025 to those Shareholders whose email addresses are registered with the Company / Depository Participants.

The remote e-voting facility shall be kept open from **Sunday, August 31, 2025 (9:00 a.m.)** to **Wednesday, September 03, 2025 (5:00 p.m.)** for shareholders to cast their votes electronically. The cut-off date for voting (including remote e-voting) shall be **Wednesday, August 27, 2025**. The detailed instructions with respect to voting have been mentioned in the Notice of AGM.

The Annual Report containing Notice of 121st Annual General Meeting is also uploaded on the Company's website www.hindoostan.com.

Please take the same on record.

Yours faithfully,
For **HINDOOSTAN MILLS LIMITED**,

Kaushik Narottamdas Kapasi
Digitally signed by Kaushik Narottamdas Kapasi
Date: 2025.08.11 12:30:29 +05'30'

KAUSHIK KAPASI
Company Secretary and Compliance Officer
FCS 1479

Encl: As above.

ESTD. 1873

HINDOOSTAN
MILLS LIMITED

121st
Annual Report
2024-2025

BOARD OF DIRECTORS

KHUSHAAL C. THACKERSEY
Joint Managing Director

ABHIMANYU J. THACKERSEY
Joint Managing Director

Independent Directors

ANANT P. PATEL

AMOL P. VORA

GEETA J. PALAN

SUJAL SHAH (upto September 26, 2024)

BHAVESH PANJUANI (upto September 26, 2024)

Chief Financial Officer
Shraddha P. Shettigar

Company Secretary
Kaushik N. Kapasi

Auditors
SHR & Co.,
Chartered Accountants

Bankers
HDFC Bank Ltd.

Registered Office
Shivsagar Estate "D" Block, 8th Floor,
Dr. Annie Besant Road.
Worli, Mumbai – 400 018
CIN: L17121MH1904PLC000195

CONTENTS

121st Annual General Meeting on Thursday, September 04, 2025 at 11.30 a.m. through video conference/Other Audio Visual Means

Plants

Textiles Unit / Engineering Unit

Plot No.D-1, MIDC Industrial Area,
Village – Taswade, Tal – Karad,
Dist.– Satara – 415 110, Maharashtra

Registrar & Transfer Agents
Computech Sharecap Limited,
147, Mahatma Gandhi Road,
Opp. Jehangir Art Gallery,
Mumbai - 400 001.
Tel: 022 – 22635000/1
Fax: 022 – 22635005
helpdesk@computechsharecap.in
www.computechsharecap.com

NOTICE

Notice is hereby given that the 121st Annual General Meeting (AGM) of the Members of Hindoostan Mills Limited will be held on Thursday, September 04, 2025 at 11.30 a.m. through video conference (VC)/Other Audio Visual Means (OAVM), venue of the meeting shall be deemed to be the registered office of the Company at "Shivsagar Estate "D" Block, 8th floor, Dr. Annie Besant Road, Worli, Mumbai - 400 018 to transact following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2025, together with the Reports of the Directors and the Auditors.
2. To appoint a Director in place of Mr. Khushaal C. Thackersey (DIN: 02416251) who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **Approval for appointment of Secretarial Auditors for a period of Five years**

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

"**RESOLVED THAT** subject to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the Company be and is hereby accorded to appoint M/s. PRS and Associates, Practicing Company Secretaries (firm registration no. P1982MH010700), as the Secretarial Auditors of the Company for the period of five consecutive years starting from financial year 2025-26 and that they shall hold office from the conclusion of this 121st Annual General Meeting to the conclusion of 126th Annual General Meeting to be held for financial year 2029-30 on such remuneration as shall be fixed by the Board of directors of the Company in consultation with the Auditors plus reimbursement of out of pocket expenses."

4. **Approval for reappointment of Ms. Geeta J. Palan (DIN No. 08771648) as the Woman Independent Director of the Company**

   To consider and, if thought fit, to pass, the following Resolution as a **SPECIAL RESOLUTION:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Ms. Geeta J. Palan (DIN No. 08771648), who was appointed as an Independent Director and holds office of Independent Director up to June 25, 2025 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company on the Board of the Company, not liable to retire by rotation for a second term of 5 (five) consecutive years with effect from June 26, 2025."

"**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things and to take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

By Order of the Board of Directors,

Kaushik N. Kapasi
Company Secretary
FCS 1479

Date: August 06, 2025

Registered Office:
Shivsagar Estate "D" Block, 8th floor,
Dr. Annie Besant Road,
Worli, Mumbai - 400 018
CIN: L17121MH1904PLC000195
Email: complaint@hindoostan.com

NOTES:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, ('the Act'), Regulation 36 of SEBI (LODR) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), each as amended, relating to the Special Business to be transacted at the Annual General Meeting ('AGM') is annexed hereto. The Board of Directors have considered and decided to include the Item No.3 to 4 given above as Special Business in this AGM, as they are unavoidable in nature.

2. The Register of Members of the Company will remain closed from Monday, September 01, 2025 to Thursday, September 04, 2025 both days inclusive).

3. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM. In case any Institutional Members, facing issues for participating in AGM can write to complaint@hindoostan.com.

4. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email id, mobile number at complaint@hindoostan.com. Questions / queries received by the Company till 5.00 p.m. on Saturday, August 30, 2025 shall only be considered and responded during the AGM.

5. All the documents referred to in the accompanying Notice and Explanatory Statements, shall be available for inspection through electronic mode, the request be sent to complaint@hindoostan.com.

6. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act shall be available for inspection by the members electronically up to the date of 121st AGM, the request be sent to complaint@hindoostan.com.

7. The Members, whose unclaimed dividends have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF-5 available on www.iepf.gov.in.

8. As per Regulation 40 of SEBI (LODR) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 01, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form.

9. The Company has pursuant to SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 07, 2024, has reminded the shareholders holding physical shares by dispatching letters on June 14, 2025 to furnish the details of PAN, contact details, specimen signature, Bank account details and Nomination details to our RTA immediately. Such shareholders are requested to submit the said documents, if not furnished immediately.

10. Annual Report for the year 2024-25 including the audited financial statements for the year ended March 31, 2025, is being sent by e-mail to those Members whose e-mail addresses are registered with Company's RTA/ Depository Participants (DP).

    Further, the hard copy of the same would also be made available to the Members on request. Members may forward their request for hard copy to complaint@hindoostan.com. Members may note that the 121st Annual Report will also be available on the Company's website www.hindoostan.com, website of the Stock Exchange i.e., BSE Limited at www.bseindia.com and on the website of NSDL at www.evoting.nsdl.com.

    A letter providing the web-link, including the exact path, where complete details of the Annual Report is available is being sent to those shareholders who have not registered their email address.

11. The voting rights of the Members for the purpose of e-voting shall be reckoned in proportion to the paid-up value of the equity shares registered in their name as on Wednesday, August 27, 2025.

12. Mr. Narayan Parekh, Partner of M/s. PRS Associates, Practicing Company Secretaries has been appointed as a Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

13. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same.

14. The Results shall be declared on or after the Annual General Meeting of the Company and the Resolutions shall be deemed to be passed on the date of the Annual General Meeting subject to receipt of the requisite numbers of votes in favour of the Resolutions.

15. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website i.e. www.hindoostan.com and on the website of NSDL i.e. www.evoting.nsdl.com. The Results will also be communicated to the Stock Exchange where the shares of the Company are listed.

INSTRUCTIONS FOR E-VOTING AND JOINING VIRTUAL MEETINGS

1. Pursuant to the General Circular No. 09/2024 dated September 19, 2024, issued by the Ministry of Corporate Affairs (MCA) and circular issued by SEBI vide circular no. SEBI/ HO/ CFD/ CFDPoD-2/ P/ CIR/ 2024/133 dated October 3, 2024 ("SEBI Circular") and other applicable circulars and notifications issued (including any statutory modifications or re-enactment thereof for the time being in force and as amended from time to time, companies are allowed to hold EGM/AGM through Video Conferencing (VC) or other audio visual means (OAVM), without the physical presence of members at a common venue. In compliance with the said Circulars, EGM/AGM shall be conducted through VC / OAVM.

2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.

3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secret arial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the EGM/AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at www.hindoostan.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time.

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

The remote e-voting period begins on Sunday, August 31, 2025 at 9.00 A.M and ends on Wednesday, September 03, 2025 at 5.00 P.M The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, August 27, 2025, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, August 27, 2025.

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

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

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the **“Beneficial Owner”** icon under **“Login”** which is available under **‘IDeAS’** section , this will prompt you to enter your existing User ID and Password. After successful authentication, will be able to see e-Voting services under Value added services. Click on **“Access to e-Voting”** under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **“Register Online for IDeAS Portal”** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider** i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

	5. Shareholders/Members can also download NSDL Mobile App **"NSDL Speede"** facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	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 users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.
	2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting 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 & voting during the meeting. Additionally, there arelinks provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
	3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 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 www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and will also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

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

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to Mr. Narayan Parekh at np@prssec.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Sanjeev Yadav, Assistant Manager (Name of NSDL Official) at evoting@nsdl.com

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to complaint@hindoostan.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to complaint@hindoostan.com.If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

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

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

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.

6. 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 between 9.00 a.m. on Monday, August 25, 2025 and 5.00 p.m. on Saturday, August 30, 2025, mentioning their name, demat account number/folio number, email id, mobile number at complaint@hindoostan.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance three days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at complaint@hindoostan.com. These queries will be replied to by the Company suitably by email.

6. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013

Item no. 3

Pursuant to the amendments in SEBI (LODR) Regulations, 2015 dated December 12, 2024, every listed entity is required to appoint Secretarial Auditor for a period of five consecutive years with the approval of its shareholders in its Annual General Meeting with effect from April 01, 2025.

The Board of Directors, at its meeting held on May 14, 2025, recommended to appoint M/s. PRS Associates, Practicing Company Secretaries, as the secretarial Auditors, for a period of five consecutive years from financial year 2025-26 and that they shall hold office from the conclusion of this 121st Annual General Meeting to the conclusion of 126th Annual General Meeting to be held for financial year 2029-30.

M/s PRS Associates was the Secretarial Auditors for the previous Financial Year 2024-25. As per the proviso to Regulation 24A (1C) of SEBI (LODR) Regulations, 2015, any association of the individual or the firm as the Secretarial Auditor of the listed entity before March 31, 2025 shall not be considered for the purpose of calculating the tenure. Hence, they are eligible to be appointed.

As per Regulation 36 (5) of SEBI (LODR) Regulations, 2015, the fees shall be fixed by the Board of Directors in consultation with the Secretarial Auditors plus reimbursement of out-of-pocket expenses.

The Board recommends the Resolution set out at Item No. 3 of the Notice for their appointment as the Secretarial Auditors for a period of five years for approval by the members.

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

Item No.4

Ms. Geeta J. Palan (DIN: 08771648) was appointed as a Woman Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014. She holds office as Woman Independent Director of the Company up to June 25, 2025.

A brief profile of Ms. Geeta J. Palan is given below:

Ms. Geeta J. Palan, aged 69 years, is a graduate in Arts and Laws from Mumbai University. She also holds a Certificate in Nutrition from Sophia Polytechnic, Mumbai. She practiced as an advocate in the past for a period of five years, also practiced as an Associate nutrition counselor. Now, she is working as an honorary & Faculty with NGO (The Art of Living), conducting Ayurvedic Cooking workshops and giving talks on Nutrition to corporate.

Ms. Geeta J. Palan is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as a Director.

Four Board Meetings were conducted during the year and she attended all the meetings. Evaluation of the performance of Ms. Geeta J. Palan along with other Directors was conducted on February 07, 2025 and her performance was found satisfactory.

The Company has received notice in writing from a member under Section 160 of the Act proposing the candidature of Ms. Geeta J. Palan for the office of Independent Director of the Company.

The Company has also received declarations from Ms. Geeta J. Palan that she meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Listing Regulations. In the opinion of the Board, Ms. Geeta J. Palan fulfills the conditions for appointment as Independent Director as specified in the Act and the Listing Regulations.

The Board considered the recommendation of the NRC for the reappointment of Ms. Geeta J. Palan for the second term. The Board further reviewed her performance, during the first term of five years. The Board was of the opinion that she is a person of integrity, possesses appropriate skills, expertise, experience and knowledge in the field of legal and administration.

Accordingly, the Board reappointed her as an independent director for a period of a further five years with effect from June 26, 2025 at Board meeting held on May 14, 2025 subject to the approval of shareholders. She is not liable to retire by rotation.

Ms. Geeta J. Palan is independent of the management. Details of Director whose re-appointment as Independent Director pursuant to Regulation 36 of SEBI (LODR) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) is mentioned in the **Annexure**. She is not director in any other listed company for the last three years. Also, she does not hold any shares in the Company.

A copy of the draft letter of appointment of Ms. Geeta J. Palan setting out the terms and conditions of appointment is kept open for inspection through electronic mode; the request for inspection may be mailed to complaint@hindoostan.com.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives is in any way concerned or interested, financially or otherwise, in the said Resolution, except Ms. Geeta J. Palan herself, in the Resolution of the Notice.

This statement may also be regarded as an appropriate disclosure as required under the SEBI (LODR) Regulations, 2015 and SS-2.

The Board recommends the Special Resolutions set out at Item No. 4 of the Notice for her reappointment for a second term of five years on the Board of the Company with effect from June 26, 2025, for approval by the members.

By Order of the Board of Directors,

Kaushik N. Kapasi
Company Secretary
FCS 1479

Date: August 06, 2025

Registered Office:
Shivsagar Estate "D" Block, 8th floor,
Dr. Annie Besant Road,
Worli, Mumbai - 400 018
CIN: L17121MH1904PLC000195
Email: complaint@hindoostan.com

Annexure

Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings (SS-2) details of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting are as follows:

Name of the Director	Geeta J. Palan	Khushaal C. Thackersey
Age and Date of Birth	69 years; 13.02.1956	36 years; 18.10.1988
Date of appointment	26.06.2020	09.11.2016
Brief Resume (including profile, qualification, experience and expertise in specific functional areas)	Ms. Geeta J. Palan is a graduate in Arts and Laws from Mumbai University. She also holds a Certificate in Nutrition from Sophia Polytechnic, Mumbai. She practiced as an advocate in the past for a period of five years, also practiced as an Associate nutrition counselor. Now, she is working as an honorary & Faculty with NGO (The Art of Living), conducting Ayurvedic Cooking workshops and giving talks on Nutrition to corporate.	Mr. Khushaal C. Thackersey is a Commerce Graduate. He is one of the promoters of the Company. He has experience in the engineering industry and in commercial aspects of production, marketing, finance, and accounts. Earlier, he held position of the Executive Director of the Company , then he has been appointed as a Joint Managing Director of the Company with effect from May 23, 2024.
Directorship held in other Listed Companies	Nil	Nil
Membership / Chairmanship of Committees of other Listed Companies	Nil	Nil
List of listed companies in which he/ she resigned during last three years	Nil	Nil
Shareholding of non-Executive Director	Nil	NA
Relationship between Directors inter-se	Nil	NA
In case of Independent Director, skills and capabilities	Legal and administration	NA

DIRECTORS' REPORT

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 121st Annual Report together with the Audited Financial Statements for the year ended March 31, 2025.

FINANCIAL RESULTS

The Company's financial performance for the year ended March 31, 2025 is summarized below:

(Rs. in lakhs)

	Current Year Ended 31.03.2025	Previous Year Ended 31.03.2024
Gross Profit/(Loss) before Interest, Depreciation and Tax	**-856.75**	384.79
Less: Interest Cost	**23.73**	42.24
Gross Profit/(Loss) after interest but before Depreciation and Tax	**-880.48**	342.55
Less: Depreciation	**196.86**	215.75
Profit/(Loss) before Tax	**-1077.34**	126.80
Less: Tax adjustment of earlier years	**0.00**	0.00
Profit/(Loss) after tax	**-1077.34**	126.80
Other Comprehensive Income	**-20.11**	1.51
Total Comprehensive Income	**-1097.45**	128.31

REVIEW OF OPERATIONS

The revenue from operations of the Company for the Financial Year 2024-25 was Rs.3315.25 Lacs as against Rs. 8826.40 Lacs of the previous year.

Textile

The manufacturing activity of the Textile unit was temporarily suspended with effect from October 03, 2024 due to poor demand and extremely poor contributions. During the year, the Company received resignations from certain staff and workers of the Textile division at Karad and the Marketing staff. Full and final settlement of the said staff and workers have been completed.

The Board of Directors at their meeting held on April 15, 2025, has decided for closure of the Textile Unit subject to the approval of Government Authorities. The decision was taken due to drop in demand of the Textile products, continuous losses incurred for more than five years, no foreseeable viability of operations. The Company has filed an application for the closure of the Textile Unit with the Government Authority in the third week of April 2025.

Engineering

The market for the company's products was stagnant due to a global slowdown in textile and paper products. The Company has made inroads into selling machines and rolls to the Technical Textile Industry which has a greater potential for the future. The Company had exported machine and rolls amounting to Rs.91.46 Lacs to Bangladesh and Turkey during the year.

DIVIDEND

In view of the losses incurred during the year under review, the Directors have not recommended dividend for the year ended March 31, 2025.

FIXED DEPOSITS

The Company has not accepted any deposits from the public during the year under review. There are no outstanding deposits remaining unpaid / unclaimed as on March 31, 2025.

DIRECTORS

Mr. Sujal A. Shah and Mr. Bhavesh Panjuani, the independent directors completed their second terms of five years on September 26, 2024. The Board appreciated their contributions as independent directors of the Company.

Mr. Khushaal C. Thackersey, Joint Managing Director of the Company, retires by rotation at 121st Annual General Meeting and being eligible offered himself for re-appointment as a Director of the Company. The Board recommends his reappointment as a director retiring by rotation.

The Board also recommends the reappointment of Mrs. Geeta J. Palan as an Independent director with effect from June 26, 2024, for a further period of five years. In the opinion of the Board, Mrs. Geeta J. Palan is a person of integrity and possesses relevant expertise and experience.

Their brief profiles as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are part of the Notice convening the Annual General Meeting.

COMMITTEES OF THE BOARD

Details of all the Committees, their composition and meetings held during the year are provided in the Corporate Governance Report, a part of this Annual Report.

INDUSTRIAL RELATIONS

Forty workers (Textile unit) resigned during the year. The Company had terminated 46 workers of the Textile unit on disciplinary ground in April 2025. The Company has filed an application for the closure of the Textile Unit with the Government Authority in the third week of April 2025.

Industrial relations of the Engineering unit is cordial.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. Form AOC-2 giving details of transactions with related parties referred to in sub-section (1) of section 188 is herewith enclosed, marked as **Annexure I.**

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at https://www.hindoostan.com/downloads/#Policies-download.

COMPLIANCE UNDER THE COMPANIES ACT

1) Annual return

Annual return referred to in sub-section (3) of section 92 has been placed on website of the Company, website address https://www.hindoostan.com/downloads/#Annual-Return

2) No. of Board Meetings

Four Meetings of Board of Directors were held during the year.

3) Directors' Responsibility Statement

Pursuant to the provisions of Section 134(3) (c) and 134(5) of the Companies Act 2013, the Directors confirm to the best of their knowledge and belief:

(a) that in the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures;

(b) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(c) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) that the directors have prepared the annual accounts on a going concern basis;

(e) that the directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively; and

(f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

4) Declaration from Independent directors

All the Independent Directors have given declarations that they meet with the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015.

5) Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director, appointment of Directors, Key Managerial Personnel, Senior Management and to fix/review their remuneration. Policy is on the Company's website at https://www.hindoostan.com/downloads/#Policies-download.

6) Particulars of Loans, Guarantees or Investments

The Company has not given any loan and guarantee nor made any investments under Section 186 of the Companies Act, 2013.

7) **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Stakeholders Relationship and Nomination & Remuneration Committees.

8) No application is made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

9) Information under section 197

i. The information required pursuant to Section 197 read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below:

There was no employee drawing remuneration of Rs. One Crore and Two Lacs during the year or Rs.8,50,000/- per month for a part of the year covered under Section 197 of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

ii. The ratio of the remuneration of the Joint Managing Directors to the median remuneration of the employees of the Company for the financial year.

Mr. Khushaal C. Thackersey : 20.8:1

Mr. Abhimanyu J. Thackersey : 20.8:1

iii. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.

Directors, Chief Executive Officer, Company Secretary or Manager	% increase in remuneration in the financial year
Mr. Khushaal C. Thackersey, Joint Managing Director	0.00
Mr. Abhimanyu J. Thackersey, Joint Managing Director	0.00
Ms. Shraddha P. Shettigar, CFO	6.50
Mr. Kaushik N Kapasi, CS	5.30

iv. The percentage increase in the median remuneration of employees in the financial year: 0%

v. The number of permanent employees on the rolls of the Company:

- 150 employees as on March 31, 2025

vi. Average percentile increase 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 Salary Increase for KMP's : 4.90%

Average Salary Increase for non-KMP's : 5.24%

vii. Affirmation that the remuneration is as per the Remuneration policy of the Company.

The remuneration paid to employees of the Company is as per the remuneration policy of the Company.

viii. The statement containing names of top ten employees in terms of remuneration drawn as required under Section 197(12) of the Act read with Rules 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate Annexure forming part of this Report and the accounts are being sent to the Members excluding the aforesaid Annexure.

In terms of Section 136 of the Act, the said Annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

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

A. Conservation of energy

i. Steps taken by the Company for utilizing alternate sources of energy: -

- Nil

ii. The Capital investment on energy conservation equipment.

- Nil

B. Technology absorption

i. The efforts made towards technology absorption

- Nil

ii. The benefits derived like product improvement, cost reduction, product development or import substitution;

- Nil

C. **Foreign Exchange Earnings & Outgo:**

Particulars	31.03.2025	31.03.2024
Foreign exchange earned (Rs. Lacs)	274.68	550.63
Foreign exchange used (Rs. Lacs)	225.99	873.49

RISK MANAGEMENT POLICY

The Company has developed a risk management policy identifying primary risk and secondary risk. Primary risk includes manpower development, product efficiency, fluctuation in price of raw materials and competition. The profitability of the Company may be affected on account of these risk factors.

The Company has sought approval of the Government Authority for the closure of the Textile Unit due to drop in demand, continuous losses incurred for more than five years, and no foreseeable viability of operations.

Financial risk management is mentioned in Note no. 32 (VII) of Other Notes to Accounts, please refer page no. 101 to 105 of the Annual Report.

CORPORATE GOVERNANCE

The Company is maintaining the standards of Corporate Governance and adheres to the corporate governance requirements set out by SEBI. The Report on Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is an integral part of this Report. The requisite certificate from M/s. K. C. Nevatia & Associates, Practicing Company Secretaries confirming compliance with the conditions of corporate governance is attached to the Report on Corporate Governance.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

In terms of the provisions of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company has constituted a Corporate Social Responsibility (CSR) Committee consisting of Mr. Anant P. Patel, Mr. Amol P. Vora, Ms. Geeta J. Palan and Mr. Khushaal C. Thackersey. The Committee has formulated and recommended to the Board a CSR Policy indicating the activities to be undertaken by the Company, which has been approved by the Board and the same is available on your Company's website at https://www.hindoostan.com/downloads/#Policies-download.

In view of the loss during the immediately preceding financial year i.e. 2023-24, the Company was not required to spend any amount on CSR activities during FY 2024-25. Since there was no CSR activity, the annual report on CSR activities is not enclosed.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS, IF ANY

There is no significant material order passed by the Regulators / Courts which would impact the going concern status of your Company and its future operations.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work perform by the internal, statutory and secretarial auditors, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during financial year 2024-25.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a vigil mechanism to deal with instances of fraud and mismanagement, if any. The Vigil Mechanism Policy is available on your Company's website https://www.hindoostan.com/downloads/#Policies-download .

AUDITORS

Statutory Auditors

The Board has duly reviewed the Statutory Auditors' Report on the Accounts. The observations and comments appearing in the Auditors' Report are self-explanatory and do not call for any further explanation / clarification by the Board.

Cost Audit

In view of the temporary closure of the Textile Unit, turnover of the Company falls below the minimum required for compulsory cost audit during the financial year 2024-25 and as such, cost audit for the financial year 2025-26 is not required.

Secretarial Audit

The Board has appointed M/s. PRS & Associates, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as **Annexure-II.** The observations and comments appearing in the Secretarial Auditors' Report are self-explanatory and do not call for any further explanation / clarification by the Board.

The Board has recommended to you for the appointment of M/s. PRS & Associates, a firm of Company Secretaries in Practice, to undertake the Secretarial Audit of the Company for a period of five years.

SEXUAL HARASSMENT

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the Banks, Government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board of Directors,

Abhimanyu J. Thackersey	Khushaal C. Thackersey
Joint Managing Director	Joint Managing Director
DIN: 00349682	DIN: 02416251

Place: Mumbai
Date: May 14, 2025

Annexure-I

Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at arm's length basis - **Nil**
2. Details of material contracts or arrangement or transactions at arm's length basis

a.	**Name(s) of the related party and nature of relationship**	The Bhor Chemicals and Plastics Private Limited (Bhor) Relationship – Mr. Abhimanyu J. Thackersey, Joint Managing director is a director/ shareholder of Bhor	The Bhor Chemicals and Plastics Private Limited (Bhor) Relationship – Mr. Abhimanyu J. Thackersey, Joint Managing director is a director/shareholder of Bhor	Khushaal C. Thackersey, Joint Managing Director
b	**Nature of contracts/ arrangements / transactions-**	Sale, purchase or supply of any goods or materials, properties, rendering any service, to get any service from Bhor, and to get job work done by Bhor, reimbursement of expenses that may be incurred by Bhor on behalf of HML.	To give corporate loan up to an aggregate sum of Rs. Five crores in one or more tranches at interest @8.25% per annum for a period up to one year. Approval of shareholders under section 185 authorising the Board to give loan was taken by passing special resolution at 120th Annual General Meeting held on 20-09-2024.	Sale of Hyundai Creta car MH-01-CT-1229 to Mr. Khushaal C. Thackersey, the Joint Managing Director
c	**Duration of the contracts / arrangements/ transactions**	One year from 1-04-2024 to 31-03-2025	Not applicable	One time transaction
d	**Salient terms of the contracts or arrangements or transactions including the value, if any:**	Omnibus approval for Rs. One Crore per transaction during the financial year 2024-25 plus reimbursement of expenses that may be incurred by Bhor on behalf of HML on an Arm's Length basis	Authority to the Board to give corporate loan up to Rs. Five crores for a period up to one year. No transaction took place during the year.	Sale of Hyundai Creta car MH-01-CT-1229 to Mr. Khushaal C. Thackersey, the Joint Managing Director for Rs.3,95,000
e	**Date(s) of approval by the Board, if any:**	14-02-2024	14-11-2024	07-02-2025
f	**Amount paid as advances, if any:**	Nil	Not applicable	Not applicable

For and on behalf of the Board of Directors,

Place: Mumbai
Date: May 14, 2025

Abhimanyu J. Thackersey
Joint Managing Director
DIN: 00349682

Khushaal C. Thackersey
Joint Managing Director
DIN: 02416251

Annexure II
SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

To,
The Members
Hindoostan Mills Limited
Shivsagar Estate "D" Block, 8th floor,
Dr. Annie Besant Road, Worli,
Mumbai 400018

Dear Sirs,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **Hindoostan Mills Limited bearing CIN: L17121MH1904PLC000195** (hereinafter called "the company") and for issuing this Report. 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 financial year ended on 31st March, 2025 (Audit Period 01.04.2024 to 31.03.2025) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent in the manner and subject to the reporting made hereinafter

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of:

   (i) The Companies Act, 2013 (the Act) and the rules made thereunder to the extent applicable

   (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

   (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

   (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the company during the audit period)

   (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

      a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

      b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

      c. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015.

   (vi) Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) were not applicable to the company under the financial year under report.

      a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

      b. The Securities and Exchange Board of India (Share based employee benefits) Regulations, 2014

      c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008

      d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021

      e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

      f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client

   (vii) All other relevant applicable laws including those specifically applicable to the Company, a list of which has been provided by the Management. The examination and reporting of these laws and rules are limited to whether there are adequate systems and processes are in place to monitor and ensure compliance with those laws. We have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

Based on the nature of business activities of the company, the following Acts and Regulations are applicable to the company.

1. Textiles Committee Act, 1963
2. Hank Yarn Packing Notification issued under the Essential Commodities Act, 1955
3. New Textile Policy, 2012 of Government of Maharashtra

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

(i) **Secretarial Standards: -** The Secretarial Standards namely SS-1 and SS - 2 issued and notified by the Institute of Company Secretaries of India have been generally complied with by the company during the financial year under review.

(ii) **The Listing Agreement entered into by the Company with the Stock Exchange (BSE Limited) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015: -** The company has generally complied with the applicable clauses of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the year under the report and as per the explanations and clarifications given to us and the representations made by the management, the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above read with circulars, notifications and amended rules, regulations, standards etc. have been generally complied with by the Company.

We further report that Compliance by the Company of other applicable Acts, Financial Laws and Regulations including Direct and Indirect Tax laws and maintenance of financial records and books of accounts has not been reviewed in this audit since the same has been subject to review by the statutory auditors and other designated professionals of the Company.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through in the Board Meetings and that of its committees and are captured and recorded as part of the minutes. There is no dissenting member's view in any of meetings.

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

We further report that during the audit period the company has not undertaken any specific event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **PRS Associates**
Company Secretaries

(Narayan Parekh)
Partner
C.P. NO.: 6448
ACS No.: 8059
UDIN No. A008059G000341801

Date: 14th May, 2025
Place: Thane

Note: - This report is to be read with our letter of even date which is annexed as **ANNEXURE I** and forms as integral part of this Report.

Annexure I to Secretarial Audit Report

To,
The Members
Hindoostan Mills Limited
Shivsagar Estate "D" Block, 8th floor,
Dr. Annie Besant Road, Worli,
Mumbai 400018

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

1. The compliance of Our Secretarial Audit Report of even date is to be read along with this letter provisions of all laws, rules, regulations and standards applicable to **Hindoostan Mills Limited** (the Company) is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts as reflected in secretarial and other records produce to us. We believe that the process and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Whenever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **PRS Associates**
Company Secretaries

(Narayan Parekh)
Partner
C.P. NO.: 6448
ACS No.: 8059
UDIN No. A008059G000341801

Date: 14th May, 2025
Place: Thane

CORPORATE GOVERNANCE REPORT

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CORPORATE GOVERNANCE REPORT

In accordance with the Listing Agreement under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with BSE Limited, the Report containing the details of Corporate Governance systems and process at Hindoostan Mills Limited are as under:

1. Company's Philosophy on Code of Governance:

Your Company is committed towards compliance with the requirements of high standards of Corporate Governance Code. Your Company believes in conducting its business in fair and equitable manner in all respects with its Stakeholder's viz., Shareholders, Government Departments, Banks, Consumers and Employees and in its accounting practices and procedures.

Your Company has laid down a Code of Conduct, which binds all the Board Members and Senior Management of the Company. A declaration by the Joint Managing Directors of the Company to this effect is appended to this Report.

2. Board of Directors:

The composition of Board of Directors during the year, their names and the category of position held, number of Directorships and Committee positions held by them are as under:

Name of Directors	Category	No. of Directorship in other Companies		No. of Board Committees of other public Companies in which he/she is a member/ Chairman
		Public Company	Private Company	
Mr. Khushaal C. Thackersey*	JMD,S,P	Nil	2	Nil
Mr. Abhimanyu J. Thackersey*	JMD,S,P	Nil	2	Nil
Mr. Sujal A. Shah** (Up to September 26, 2024)	NE, I	9	1	4C/4M
Mr. Bhavesh V. Panjuani** (Up to September 26, 2024)	NE, I	1	Nil	1M
Mr. Amol P. Vora#	NE, I	Nil	Nil	Nil
Ms. Geeta J Palan	W,NE,I	Nil	Nil	Nil
Mr. Anant P. Patel## (From August 09, 2024)	NE, I	Nil	2	Nil

** Mr. Khushaal C. Thackersey and Mr. Abhimanyu J. Thackersey who were Executive Directors till May 22, 2024 have been appointed as Joint Managing Directors with effect from May 23, 2024.*

***The terms of appointment of Mr. Sujal A. Shah and Mr. Bhavesh V. Panjuani, the Non-Executive Independent Directors ended on September 26, 2024.*

#Mr. Amol P. Vora was reappointed as Non-Executive Independent Director for a second term of five years with effect from May 17, 2024.

##Mr. Anant P. Patel has been appointed as Non-Executive Independent Director with effect from August 09, 2024

Notes:

1. Excludes directorship in companies under Section 8 of the Companies Act, 2013.
2. For the purpose of counting membership in Board Committee of other Companies, Chairmanship / Membership of the Audit Committee and the Stakeholders Relationship Committee alone are considered.

3. The Company's Board of Directors comprises of 5 Directors including 3 Independent Directors, one of whom is a woman director as on March 31, 2025. All the Independent Directors on the Board are eminent professionals, having a wide range of skills and experience in business, industry, finance and law.

4. Abbreviations:

   P = Promoter, JMD = Joint Managing Director, NE = Non - Executive Director, I = Independent Director, W= Woman Director, S = Shareholders, C = Chairman, M = Member.

   List of other listed companies in which directors of the company are director:

Name of director	**Name of Listed company**	**Category**
Mr. Sujal A. Shah (up to September 26, 2024)	Mafatlal Industries Limited	Independent Director
	Deepak Fertilisers & Petrochemicals Corporation Limited	Independent Director
	Navin Fluorine International Limited	Independent Director
	NOCIL Limited	Independent Director
	Atul Limited	Independent Director
	The Bombay Dyeing and Manufacturing Company Limited	Independent Director
Mr. Bhavesh V. Panjuani (up to September 26, 2024)	Jaysynth Orgochem Ltd.	Independent Director

(i) **Board Meetings and Annual General Meeting (AGM) and Attendance of each Director thereof**

During the year under review, four Meetings of Board of Directors were held. The details of the meetings and attendance of each Director at the Board Meetings and AGM are given below: The gap between two consecutive Meetings did not exceeded one hundred and twenty days.

	Board Meeting				AGM
	May 23, 2024	August 09, 2024	November 14, 2024	February 07, 2025	September 20, 2024
Mr. Khushaal C. Thackersey	✓	✓	✓	✓	✓*
Mr. Abhimanyu J. Thackersey	✓	✓	✓	✓	✓*
Mr. Sujal A. Shah (Up to September 26, 2024)	✓	✓	NA	NA	✓*
Mr. Bhavesh V. Panjuani (Up to September 26, 2024)	✓	✓	NA	NA	✓*
Mr. Amol P. Vora	✓	✓	✓	✓	✓*
Ms. Geeta J Palan	✓	✓	✓	✓	✓*
Mr. Anant P. Patel (From August 09, 2024)	NA	✓	✓	✓	✓*

* Attended through VC

NA – Not Applicable

(ii) **Shareholding of Non-Executive Directors in the Company:**

The Shareholding of the Non-Executive Directors in the Company as on March 31, 2025:

Name of Directors	**Category**	**No. of Shares held**
Mr. Amol P. Vora	Non-Executive Independent Director	Nil
Ms. Geeta J. Palan	Non-Executive Independent Director	Nil
Mr. Anant P. Patel	Non-Executive Independent Director	Nil

(iii) **Disclosure of skill/expertise/competence as identified in diversity policy and relationships between Director inter-se:**

Table given below shows the relationship between the Directors and skill/expertise/competence:

Name of the Directors	Designation	*Relationship between Directors Inter-se	skill/expertise/competence
Mr. Khushaal C. Thackersey	Joint Managing Director	Not related to any other Director	Eight years in Textile Industry
Mr. Abhimanyu J. Thackersey	Joint Managing Director	Not related to any other Director	Experience of more than 14 years in the Textile Industry.
Mr. Sujal A. Shah**	Independent Director	Not related to any other Director	Chartered Accountant having experience of 33 years in Valuation / Corporate Re-structuring / audit and other related fields
Mr. Bhavesh V. Panjuani**	Independent Director	Not related to any other Director	Advocate and Solicitor, practicing since about 35 years. Areas of legal practice include commercial and corporate law, litigation, arbitrations, commercial dispute resolution, contract documentation, negotiation and claims, besides other general civil practice.
Mr. Amol P. Vora	Independent Director	Not related to any other Director	Textile business for more than 24 years
Ms. Geeta J Palan	Independent Director	Not related to any other Director	Legal and administration
Mr. Anant P. Patel#	Independent Director	Not related to any other Director	Experience in management of the business, finance and account functions.

* As per definition of Relative under Section 2(77) read with Rule 4 of the Companies (Specification of Definitions Details) Rules, 2014 of the Companies Act, 2013.

** The terms of appointment of Mr. Sujal A. Shah and Mr. Bhavesh V. Panjuani, the Non- Executive Independent Directors ended on September 26, 2024.

Mr. Anant P. Patel was appointed as a Non - Executive Independent Director with effect from August 09, 2024.

3. Independent Directors:

Independent Directors of the Company are appointed/reappointed for a period of five years. The terms of appointment of Independent Directors can be accessed from the website of the Company at https://www.hindoostan.com/downloads/#Appointment-Directors.

(i) Familiarization Programmes for Independent Directors

Independent Directors are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board Meetings on the business and performance updates of the Company, business strategy and risks involved.

The details of the Policy for the familiarization programmes for Independent Directors hosted on the Website of the Company can be accessed at the link: http://www.hindoostan.com.

It is hereby confirmed that as per opinion of the Board, the Independent Directors on the Board fulfill the conditions specified in the regulations of SEBI (LODR) Regulations, 2015 and are independent of the management.

(ii) Independent Directors Meeting:

The terms of reference of the Independent Directors Meeting broadly comprises:

- Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole including Joint Managing Directors.
- Evaluation of quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

As on March 31, 2025, there are 3 Non-Executive Independent Directors on the Board of the Company including one Woman Independent Director as given below:

a. Mr. Amol P. Vora - Independent Director

b. Ms. Geeta J Palan - Independent Director

c. Mr. Anant P. Patel - Independent Director

The Company Secretary acts as the Secretary to the Meeting.

Meeting of Independent Directors held during the year and attendance:

Name of Members	Designation	Meeting held on 07-02-2025
Mr. Amol P. Vora	Independent Director	✓
Ms. Geeta J. Palan	Independent Director	✓
Mr. Anant P. Patel	Independent Director	✓

4. Board Committees:

The Board has constituted the following Committees of Directors:

A) Audit Committee:

The Audit Committee consists of the following 3 Non-Executive Independent Directors and a Joint Managing Director (financially literate/ having accounting or related financial expertise) as on March 31, 2025.

a. Mr. Anant P. Patel - Chairman

b. Mr. Amol P. Vora - Member

c. Ms. Geeta J. Palan - Member

d. Mr. Abhimanyu J. Thackersey - Member

Note: Mr. Sujal A. Shah and Mr. Bhavesh V. Panjuani, the Non-Executive Independent Directors were members upto September 26, 2024. Mr. Abhimanyu J. Thackersey and Mr. Anant P. Patel were appointed with effect from September 27, 2024.

Mr. Kaushik N. Kapasi, Secretary of the Company also acts as a Secretary to the Committee.

(i) Terms of Reference of the Audit Committee:

The terms of reference of Audit Committee are in accordance with the requirements as per Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

(ii) The Independent Directors are eminent professionals having experience in Industry, Corporate Finance, Accounts and Corporate Law. Composition of the Audit Committee meets the requirements of Section 177 of the Companies Act, 2013 and Rules made there under along with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Meetings of Audit Committee and Attendance

Four meetings of the Audit Committee were held during the year ended March 31, 2025. The dates of the meetings and the attendance of each Member at the Meetings were as under:

	May 23, 2024	August 09, 2024	November 14, 2024	February 07, 2025
Mr. Anant P. Patel	NA	NA	✓	✓
Mr. Amol P. Vora	✓	✓	✓	✓
Ms. Geeta J. Palan	✓	✓	✓	✓
Mr. Abhimanyu J. Thackersey	NA	NA	✓	✓
Mr. Sujal A. Shah (Up to September 26, 2024)	✓	✓	NA	NA
Mr. Bhavesh V. Panjuani (Up to September 26, 2024)	✓	✓	NA	NA

NA – Not Applicable

B) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee consists of the following 3 Independent Non-Executive Directors as on March 31, 2025.

a. Ms. Geeta J Palan - Chairperson

b. Mr. Amol P. Vora - Member

c. Mr. Anant P. Patel - Member

Note: Mr. Sujal A. Shah and Mr. Bhavesh V. Panjuani, the Non-Executive Independent Directors were members upto September 26, 2024. Mr. Anant P. Patel was appointed with effect from September 27, 2024.

(i) Terms of Reference of the Nomination and Remuneration Committee:

The terms of reference of the Nomination and Remuneration Committee are in accordance with the requirements of Section 178 of the Companies Act 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

(ii) The Nomination and Remuneration Committee comprised of 3 Independent Directors.

Composition of the Committee meets the requirements of Section 178 of the Companies Act, 2013 and Rules made there under along with the Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Meetings of Nomination and Remuneration Committee and Attendance

Two meetings of the Nomination and Remuneration Committee was held during the year under review. The dates of the meetings and the attendance of each Member at the Meetings were as under:

	May 23, 2024	**August 09, 2024**
Ms. Geeta J. Palan	✓	✓
Mr. Amol P. Vora	✓	✓
Mr. Anant P. Patel	NA	NA
Mr. Bhavesh V. Panjuani (Up to September 26, 2024)	✓	✓
Mr. Sujal A. Shah (Up to September 26, 2024)	✓	✓

NA – Not Applicable

Performance Evaluation Criteria:

The evaluation of individual directors would have two parts, viz. (a) quantitative data in the form of the number of meetings of the board and committees attended as against the total number of such meetings held and (b) qualitative data coming out of the process of filling in a questionnaire by the directors, which would be subjective, by its very nature.

(1) In order to induce the respondents to give their frank views, the instruments would be so designed that only ticks would be required, with no provision for description and the directors would not be required to identify themselves below the filled in questionnaire.

(2) The result of the evaluation will be discussed in detail by the Board and remedial actions taken.

(3) In case of individual directors' performance falling below a threshold, there would be a provision for individual counselling by the Chairman of the Company.

In view of amended provisions of Section 178 of the Companies Act, 2013, the performance of the Board of Directors, its Committees and each Director (excluding the director being evaluated) has been evaluated by the Board on the basis of engagement, leadership, analysis, decision making, communication, governance, interest of Stakeholders, etc.

Remuneration to Non- Executive Directors:

There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the listed Company, other than payment of sitting fees.

No remuneration is paid to Non-Executive Directors except sitting fees for attending meetings of the Board and Committees. The criteria of making payments to Non-Executive Directors can also be accessed from the website at https://www.hindoostan.com/downloads/#NE-Directors-download.

At present, the Company does not have any Stock Option Scheme.

Details of the payments of sitting fees made to Independent Non-Executive Directors during the year under Review are as under:

Name of Directors	Sitting Fees (Rs.)
Mr. Amol P. Vora	1,60,000
Ms. Geeta J Palan	1,50,000
Mr. Anant P. Patel	1,05,000
Mr. Sujal A. Shah	90,000
Mr. Bhavesh V. Panjuani	90,000

Remuneration to Executive Directors:

The details of remuneration paid to Joint Managing Directors during the year ended March 31, 2025 are as under:

(Rs.in lakhs)

Name	Salary	Benefits*	Contribution to P.F. & S.A. #	Total	Contract period
Mr. Khushaal C. Thackersey	39.60	2.40	5.75	47.75	Three years with effect from 9.11.2021 to 8.11.2024. He has been reappointed for a period from 09.11.2024 to 08.11.2027.
Mr. Abhimanyu J. Thackersey	39.60	2.40	5.75	47.75	Three years with effect from 8.02.2024 to 7.02.2027

* Benefits include House Rent Allowance, Electricity, Furnishings, Reimbursement of Medical Expenses and Leave Travel Expenses, Subscription to Club Fees, Personal Accident Insurance Premium, if any.

P.F - Provident Fund, S.A - Superannuation

Notice period for the above directors is three months' Notice. No stock is issued to directors.

C) **Stakeholders Relationship Committee:**

The Stakeholders Relationship Committee consists of the following 3 Directors, of which the Chairman is a Non-Executive Independent Director, as on March 31, 2025.

a. Mr. Amol P. Vora - Chairman

b. Mr. Khushaal C. Thackersey - Member

c. Mr. Abhimanyu J. Thackersey - Member

Meetings of Stakeholders' Relationship Committee and Attendance

One meeting of Stakeholders Relationship Committee was held during the year under review. The date of the meetings and the attendance of each Member at the Meeting was as under:

	November 14, 2024
Mr. Amol P. Vora	✓
Mr. Khushaal C. Thackersey	✓
Mr. Abhimanyu J. Thackersey	✓

Status of Investor Complaints:

Number of complaints received during the financial year	:	Nil
Number of complaints not solved to the satisfaction of shareholders	:	Nil
Number of complaints pending as of March 31, 2025	:	Nil

Name and designation of Compliance Officer

Mr. Kaushik N. Kapasi

Company Secretary & Compliance Officer

D) **Corporate Social Responsibility (CSR) Committee:**

In compliance with the provisions of Section 135 of the Companies Act, 2013, the Company constituted a Corporate Social Responsibility Committee comprising of the following three Directors, as on March 31, 2025.

a. Mr. Anant P. Patel - Chairman

b. Mr. Amol P. Vora - Member

c. Ms. Geeta J. Palan - Member

d. Mr. Khushaal C. Thackersey - Member

Note: Mr. Sujal A. Shah and Mr. Bhavesh V. Panjuani, the Non-Executive Independent Directors were members upto September 26, 2024. Mr. Anant P. Patel, Mr. Amol P. Vora and Ms. Geeta Palan were appointed as members with effect from September 27, 2024.

The Company Secretary acts as the Secretary to the Committee.

(i) The terms of reference of the Corporate Social Responsibility Committee (CSR) broadly comprises:

- To frame CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.

(ii) The average net profit calculation for the immediately three preceding financial years of the Company in accordance with section 135 (5) of the Companies act 2013, do not result in any CSR obligation for the FY 2024-25. In view of the same, there was no requirement to hold CSR Committee meetings for the FY 2024-25.

E) Senior Management

Mr. Rakesh Jain, President – Textiles resigned from the position with effect from July 31, 2024.

The Senior Management of the Company consists of the following as mentioned below:

Sl. No.	Name	Designation
1.	Mr. A. K. Juneja	President - Engineering
2.	Mr. J. S. Jadhav	General Manager-Textiles
3.	Mr. D. D. Patil	General Manager-Engineering
4.	Mr. Kaushik N. Kapasi	Company Secretary & Head - Legal
5.	Ms. Shraddha P. Shettigar	Chief Financial Officer and Assistant General Manager

5. General Body Meetings

(i) **The date time and venue of the General Body Meetings held in last three years:**

Year	Date	Time	Venue
2021-22	September 06, 2022	11.30 A.M.	Virtual meeting through video conference (VC) / Other Audio Visual Means (OAVM) on CDSL platform
2022-23	September 05, 2023	11.30 A.M.	Virtual meeting through video conference (VC) / Other Audio Visual Means (OAVM) on CDSL platform
2023-24	September 20, 2024	11.30 A.M.	Virtual meeting through video conference (VC) / Other Audio Visual Means (OAVM) on NSDL platform

(ii) **Special Resolution passed in previous three AGMs**:

AGM Date	Special Resolutions passed
September 06, 2022	- NIL
September 05, 2023	- NIL
September 20, 2024	- Re-appointment of Mr. Khushaal C. Thackersey (DIN: 02416251) as the Joint Managing Director and payment of remuneration. - Appointment of Mr. Anant P. Patel (DIN: 07257155) as an Independent Director - Alteration of Article 94 of the Articles of Association of the Company for enabling the Company to give loan or guarantee to a director of the Company, etc. - Authorising the Board of Directors to give loan, guarantee, etc. up to Rs. Five crores to The Bhor Chemicals and Plastics Private Limited under section 185 of the Companies act 2013

(iii) Postal Ballot

a. Details of Postal Ballot during the Financial Year 2024-25

The Company sought the approval of shareholders by way of Postal Ballot, vide its Notice dated May 23, 2024, on the below-mentioned resolution:

Type of Resolution	Special Resolution
Description of the Resolution	1. Appointment and re-designation of Mr. Abhimanyu J. Thackersey (DIN No. 00349682) as the Joint Managing Director of the Company w.e.f. May 23, 2024 for his remaining term of current appointment which is valid till February 7, 2027. 2. Appointment and re-designation of Mr. Khushaal C. Thackersey (DIN No. 02416251) as the Joint Managing Director of the Company w.e.f. May 23 2024 for his remaining term of current appointment which is valid till November 08, 2024. 3. Reappointment of Mr. Amol P. Vora (DIN No. 00883638) as an Independent Director of the Company for a second term of 5 (five) consecutive years with effect from May 17, 2024.

The voting period for remote e-voting commenced on Thursday, June 20, 2024 (9:00 am) and ended on Friday, July 19, 2024 (5:00 pm). Mr. Narayan Parekh, Partner, PRS Associates, Company Secretaries in whole time practice, Mumbai (ACS No.8059 CP No.-6448) was appointed as the scrutinizer for conducting the Postal Ballot through e-voting. The result of the Postal Ballot was announced on July 20, 2024.

The details of the voting pattern are as given below:

Description of the Resolution	**Number of members voted**	**Votes in favour of the Resolution**	**Votes against the Resolution**	**Invalid votes**
Appointment and re-designation of Mr. Abhimanyu J. Thackersey (DIN No. 00349682) as the Joint Managing Director of the Company w.e.f. May 23, 2024 for his remaining term of current appointment which is valid till February 7, 2027	74	11,45,557	24	0
Appointment and re-designation of Mr. Khushaal C. Thackersey (DIN No. 02416251) as the Joint Managing Director of the Company w.e.f. May 23 2024 for his remaining term of current appointment which is valid till November 08, 2024	72	11,45,493	24	0
Reappointment of Mr. Amol P. Vora (DIN No. 00883638) as an Independent Director of the Company for a second term of 5 (five) consecutive years with effect from May 17, 2024.	71	11,45,490	27	0

b. **Postal Ballot proposed to be conducted during the Financial Year 2025-26: Nil**

c. **Procedure for Postal Ballot**

Postal Ballot will be conducted through remote e-voting process through the e-voting platform provided by various service providers. The notice will be served to the members electronically through the e-mail address registered with the RTA, pursuant to the provisions of section 108 and 110 of the Companies Act 2013.

6. **Means of Communication:**

a. The quarterly Un-audited Financial Results and Yearly Audited Financial Results of the Company are filed with Stock Exchange i.e., BSE Limited, immediately after they are approved by the Board of Directors in their Board meetings.

b. The quarterly Un-audited Financial Results and Yearly Audited Financial Results of the Company have been advertised in Free Press Journal (English) and Navshakti (Marathi).

Website where results are displayed: https://www.hindoostan.com.

Whether it also displays official news releases: No official news has been released during the year.

Presentation made to institutional investors or to the analysts: None

7. **General Shareholder information:**

(i) Annual General Meeting for the financial year 2024-25

Date	-	Thursday, September 04, 2025
Time	-	11.30 a.m.
Venue	-	Through video conference (VC)/Other Audio Visual Means (OAVM)

In accordance with the general circular issued by the MCA on May 5, 2020 read with further circular dated September 19, 2024, the AGM shall be held through video conference (VC)/Other Audio Visual Means (OAVM.

(ii) Financial Year : April 01, 2024 to March 31, 2025

(iii) **Date of Book Closure** : Monday, September 01, 2025 to Thursday, September 04, 2025 (both days inclusive)

(iv) **Dividend payment date** : No dividend has been paid during the Financial Year 2024-25

(v) **Listing on Stock Exchange** : The Company's equity shares are listed in:

BSE Limited

P J Towers, Dalal Street,

Mumbai – 400 001

Listing Fee for the financial year 2024-25 has been paid

(vi) **Securities are not suspended from trading.**

(vii)Registrar and Transfer Agent:

Name and Address : Computech Sharecap Limited,
147, Mahatma Gandhi Road,
Opp. Jehangir Art Gallery,
Mumbai - 400 001

Telephone : 022 – 22635000/1

E-mail : helpdesk computechsharecap.in

Website : www.computechsharecap.com

(viii)Share Transfer Process:

The Company's shares being in the compulsory demat list, are transferable through the depository system.

The Company has designated an exclusive e-mail ID viz., complaint@hindoostan.com for redressal of shareholders' complaints / grievances.

(ix) Distribution of Shareholding as on March 31, 2025:

Group of Shares	No. of Shareholders	No. of shares held	% to Total Shares
1 to 50	4343	61801	3.71
51 to 100	487	38449	2.31
101 to 250	389	63291	3.80
251 to 500	130	49196	2.96
501 to 1000	65	46720	2.81
1001 to 5000	44	83383	5.01
5001 and above	27	1321708	79.40
TOTAL	**5485**	**1664548**	**100.00%**

(x) Dematerialization of Equity Shares and liquidity:

Trading in Equity Shares of the Company is permitted only in dematerialized form as per Notification No. CIR/MRD/DP/14/2011 dated December 20, 2011, issued by the Securities & Exchange Board of India (SEBI). Nearly 98.56% shares are held under dematerialized mode as on March 31, 2025.

The equity shares of the Company are traded at BSE Limited.

(xi) Outstanding GDRs/Warrants, Convertible Bonds, Conversion date & likely impact on equity: None

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

Please refer Para Risk Management policy under the Directors' Report

(xiii)Shareholding Pattern as on March 31, 2025:

	No. of Shares held	%
Promoters and Persons Acting in Concert	1006697	60.48
Banks, Financial institutions, Mutual Funds, Insurance companies	1970	0.12
Private Corporate Bodies	44855	2.69
Indian Public	601780	36.15
NRIs / OCBs	9246	0.56
TOTAL	**16,64,548**	**100.00**

(xiv) Plant Location:

a) **Textile Unit**
Plot No.D-1, MIDC Industrial Area,
Village - Taswade, Tal - Karad,
Dist. - Satara - 415 109, Maharashtra

b) **Engineering Unit**
Plot No.D-1, MIDC Industrial Area,
Village - Taswade, Tal - Karad,
Dist. - Satara - 415 109, Maharashtra

(xv) Address for correspondence:

Registered Office:
Hindoostan Mills Limited,
Shivsagar Estate "D" Block, 8th floor,
Dr. Annie Besant Road,
Worli, Mumbai - 400 018

(xvi) List of all credit ratings obtained by the entity: The Company has not obtained credit rating.

8. Other Disclosures:

(i) There is no materially significant related party transaction that may have potential conflict with the interest of the Company at large.

(ii) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years: Nil

(iii) The Company has established vigil mechanism/whistle blower policy and also affirms that no personnel have been denied access to the Audit Committee.

(iv) The Company has complied with all mandatory requirements of disclosures specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR) Regulations, 2015 as mentioned in this report.

(v) Details of compliance with the non-mandatory requirements: -

The Company has an open-door policy where employees have access to their Head of Departments who participate in monthly forum Meetings with the Management and any concern or instances of unethical behaviour or non-adherence to the Code of Conduct or any issue concerning the business of the Company, is brought up to the notice of Management and resolved from time to time while adequately safeguarding the employee who has availed this mechanism.

(vi) Web link where policy for determining material subsidiaries is disclosed

- The Company does not have a subsidiary company.

(vii) Web link where policy on dealing with related party transactions**:**

https://www.hindoostan.com/downloads/#Policies-download.

(viii) Disclosure of commodity price risks and commodity hedging activities - N.A.

(ix) 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, has been obtained.

(x) Fees for all services paid by the listed entity to the statutory auditor : Rs. 23.81 lakhs

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

a. Number of complaints as of 1st April 2024 : Nil

b. Number of complaints filed during the financial year : Nil

c. Number of complaints disposed of during the financial year : Nil

d. Number of complaints pending as of 31st March 2025 : Nil

(xii) Disclosure of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount : Nil

(xiii) Transfer of Unclaimed / Unpaid Dividend to the Investor Education and Protection Fund (IEPF): Nil

9.	Non-compliance of any requirement of corporate governance report of sub-paras (1) to (6) above, with reasons thereof shall be disclosed	:	**None**
10.	Disclosure of discretionary requirements as specified in Part E of Schedule II	:	**Nil**

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

We hereby declare that all the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct as adopted by the Company.

KHUSHAAL C. THACKERSEY
Joint Managing Director
DIN: 02416251

ABHIMANYU J. THACKERSEY
Joint Managing Director
DIN: 00349682

Mumbai, May 14, 2025

CERTIFICATE ON CORPORATE GOVERNANCE

To the Member of Hindoostan Mills Limited

We have examined the compliance of the conditions of Corporate Governance by Hindoostan Mills Limited ('the Company') for the year ended on March 31, 2025 as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2025.

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

For K.C. NEVATIA & ASSOCIATES
COMPANY SECRETARIES

K.C.NEVATIA
Proprietor
FCS No.: 3963
C.P. No. 2348
PR. No.: 4809/2023
UDIN: F003963G000314757

Place : Mumbai
Date : May 10, 2025

CERTIFICATE

(Pursuant to clause 10 of Part C of Schedule V of SEBI (LODR) Regulations, 2015)

In pursuance of Sub Clause (i) of Clause 10 of Part C of Schedule V of The Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) in respect of **HINDOOSTAN MILLS LIMITED** (said Company) having **CIN: L17121MH1904PLC000195** and having Registered office at **Shivsagar Estate "D" Block, 8th floor, Dr. Annie Besant Road, Worli, Mumbai- 400018**, We hereby certify that:

On the basis of the written representation/declarations received from the directors and on the basis of relevant forms filed by the said Company with Registrar of Companies and status of DIN of each director of the said Company from the portal of Ministry of Corporate Affairs, none of the directors on the Board of the Company as on 31st March, 2025 has been debarred or disqualified by the SEBI / Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as director of companies.

For K.C. NEVATIA & ASSOCIATES
COMPANY SECRETARIES

K.C.NEVATIA
Proprietor
FCS No.: 3963
C.P. No. 2348
PR. No.: 4809/2023
UDIN: F003963G000314680

Place : Mumbai
Date : May 10, 2025

MANAGEMENT DISCUSSION AND ANALYSIS

A. BUSINESS SEGMENT – TEXTILES:

Industry Structure & Development:

The Indian textile industry experienced a challenging year due to a drop in demand and competitive global pricing. Due to this, many of the textile mills reduced their capacity utilization in an attempt to get through this difficult period. There doesn't seem to be any respite from these conditions in the year to come.

The newly announced 27% tariff on Indian imports announced to the United States will further add pressure to the fabric export market.

Strengths and Opportunities, Weakness and Threats and Outlook:

In light of the difficult conditions of the textile as mentioned above, in October of this year the Company had decided to temporarily suspend operations at its textile manufacturing plant in Karad, Maharashtra. After analyzing the future viability of the business, the Company has subsequently decided to apply for closure of the textile unit subject to approval of the Government Authorities.

B. BUSINESS SEGMENT – ENGINEERING:

Industry Structure and Development

The Engineering Division of the Company continues to demonstrate robust capabilities in design, innovation, and manufacturing excellence. Building on our established foundation, we have further evolved into a trusted development partner through sustained focus on technological advancement, value engineering, and customer-centric solutions.

In FY 2025–26, the business prioritized strategic expansion across key industrial segments , Textile . Technical Textile including Sheet Metal, Corrugation & Paper Indutries. Our specialized offerings Super Calender Machine , Press Roll , Calender for Technical Textile , Cold Calender have enabled deeper penetration in these sectors. We have further consolidated our leadership in Calender Manufacturing, with targeted efforts underway to expand our market footprint and increase wallet share from existing and new customers.

In alignment with market trends, we have also enhanced our sector mapping strategies, assessed untapped opportunities, and refined our go-to-market approach to maintain agility in a rapidly evolving industrial landscape.

Strengths and Opportunities

Innovation remains a cornerstone of our operational philosophy. By harnessing deep technical expertise and cross-functional collaboration, the business has been able to deliver customized, high-impact solutions across diverse applications.

A strategic emphasis on product diversification, supplier consolidation, and portfolio optimization has not only improved our value proposition but also contributed to pipeline growth and higher customer retention—particularly in the machine Manufacturing.

Material substitution initiatives and product innovation are being actively pursued to increase cost efficiency and competitiveness. With increasing customer focus on integrated engineering solutions, the business is well-positioned to capture incremental value across the product lifecycle.

Weaknesses and Threats

The Engineering Division continues to operate within a dynamic environment marked by certain structural challenges and market risks, including:

- Volatility in the prices of critical raw materials
- Extended sales cycles, particularly in the steel segment
- Pricing pressure from unorganized/grey market players
- Import lead-time dependencies across product categories
- On-site service challenges, especially in machine Installation & Service projects
- Service delays impacting project delivery timelines

We are actively addressing these headwinds through improved supplier engagement, tighter cost control mechanisms, and strengthening our service infrastructure.

Outlook

The overall business outlook for the Engineering segment remains cautiously optimistic. As global and domestic demand continues to show signs of steady recovery, our focus remains on enhancing the share of value-added products in our portfolio. Emphasis will continue on operational excellence, benchmarking global best practices, and embedding sustainability and digitalization into our processes.

Strategic investments in R&D, quality systems, and supply chain optimization are expected to further improve product reliability, delivery timelines, and customer satisfaction. These efforts will collectively contribute to reinforcing our brand equity and expanding our market share in FY 2025-2026 and beyond.

However, geopolitical tensions and economic uncertainty in certain export markets, including Bangladesh, continue to pose near-term challenges. In addition, the U.S. government's continuation of the 27% import tariff on Indian goods underscores the importance of fast-tracking bilateral trade agreements to protect sectoral competitiveness.

Despite these external headwinds, the Engineering Business is aligned to deliver sustainable value through a combination of innovation-led growth, operational discipline, and customer-first execution.

Performance, Risks and concerns, Internal control systems and their adequacy and industrial relations are mentioned in the Directors Report.

Key ratios are mentioned in Annexure A to Notes the Standalone Financial Statements, page No.114.

FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To The Members of Hindoostan Mills Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Hindoostan Mills 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 Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements including a summary of material accounting policies and other explanatory information.

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 Indian Accounting Standards ("Ind AS") specified under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its loss including its other comprehensive income, its cashflows and the changes in equity for the year ended on that date.

Basis of Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. 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.

Sr. No.	Key Audit Matter	How the matter was addressed in our audit
i)	**Provisions and Contingent Liabilities (Refer Note No. 32 (XI) to the Financial Statements)**	
	➢ There are certain legal cases against the Company or pursued by the Company. This involves high level of Management judgement to determine the possible outcome of the legal cases, estimation of level of provisioning and its related accounting disclosures.	Our audit procedures amongst others included the following: ➢ Performing substantiative procedure on underlying calculations for the provisioning made, relying on opinions if any obtained by the Management ➢ discussing the matters with the Management and assessing Management conclusion and its probable, possible and remote analysis of thereof ➢ We have validated the completeness and appropriateness of provision / related disclosures in the financial statements and concluded that the provision / disclosures are adequate.

Emphasis of Matter

We draw attention to note 32(X) to the statement, in respect of Board of Directors decision to close down textile division (under temporary suspension from October 3, 2024), with effect from April 15, 2025 subject to approval of Government Authorities. The Company continues to pursue it's other business operation.

Our opinion is not modified in respect of this matter.

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

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

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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows, and changes in equity of the Company in accordance with accounting principles generally accepted in India including the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 in the financial statements made by the Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current year 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 in terms of Section 143(11) 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. A. 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 except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

    c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of cash flows and the statement of changes in equity 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, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

    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) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

    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**".

   B. 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:

    a) The Company has disclosed the impact of pending litigations as on March 31, 2025 on its financial position in its financial statements refer Note 32 (XI) to the financial statements;

    b) 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;

    c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

    d) (i) The Management has represented, to best of their knowledge and belief, that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other 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.

    (ii) The Management has represented, to best of their knowledge and belief, that 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, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (d) (i) & (ii) above contain any material misstatement.

e) The Company has not paid any dividend during the year.

f) The Company has used three accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility. Based on our examination which included test checks, the same has operated throughout the year for all relevant transactions recorded in the respective software except for the instances mentioned below. Further, we did not come across any instance of the audit trail feature being tampered with.

   i) The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes in respect of all accounting software used for maintaining the books of accounts.

   ii) The feature of recording audit trail (edit log) facility was not completely enabled at the application layer of the accounting software in respect of Sales Module, used for textile division.

   Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention, to the extent audit trail was maintained for accounting software.

C. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act read with Schedule V of the Act.

For S H R & CO.

Chartered Accountants

FRN: 120491W

Deep N Shroff
Partner
Membership No. 122592
UDIN:

Place: Mumbai
Date: May 14, 2025

Annexure A referred to in Paragraph 1 Of Our Report of Even Date on The Financial Statements for The Year Ended March 31, 2025 of Hindoostan Mills Limited:

i. **In respect of Property, Plant & Equipment:**

(a) (A) The Company has maintained its Property, Plant & Equipment register showing full particulars including quantitative details and situation of Property, Plant & Equipment and relevant details of right-of-use assets.

(B) The Company does not have any intangible assets. Thus, the clause relating to maintenance of proper records showing full particulars of intangible assets is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, all the property, plant & equipment were physically verified by the management during the year. In our opinion the frequency of verification is reasonable having regard to the size of the Company and of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant & Equipment during the year. Accordingly, clause 3(i) (d) of the Order is not applicable.

(e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable to the Company

ii. **In respect of Inventories:**

(a) As explained to us, inventory have been physically verified by the Management during the year. In our opinion, the coverage and procedure of such verification by the Management is appropriate. No material discrepancies of 10% or more in the aggregate for each class of inventory were noticed. However, the discrepancies between physical verification of inventory as compared to book records which is less than 10% in the aggregate for each class of inventory have been adjusted in the books of account.

(b) During the year, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, clause 3(ii)(b) of the Order is not applicable.

iii. **In respect of Granting of Loan and Advance:**

(a) During the year the Company has not provided any loans or advances in the nature of loans, or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable

(b) During the year, the Company has made investments in mutual fund, the terms and conditions under which such investment were made are not prejudicial to the Company's interest. The Company has not granted secured/ unsecured loans/advances in nature of loans or stood guarantee or provided security to any parties.

(c) During the year, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to the companies, firms, Limited Liability partnerships, or any other parties. Accordingly, clause 3(iii) (c) to (f) of the Order is not applicable.

iv. During the year, the Company has not granted any loan or made any investments or provided any guarantee or security to parties covered under section 185 and 186 of the Act. Therefore, reporting under clause 3 (iv) of the Order is not applicable.

v. **In respect of acceptance of Deposit:**

In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 73 to 76 or any other relevant provision of the Companies Act and the rule framed there under during the year. No order has been passed by National Company Law Tribunal or Reserve Bank of India or any Court or any Tribunal.

vi. In respect of Cost Audit and Records:

According to the information and explanations given to us, the maintenance of cost records has been specified by the Central Government under section 148(1) of the Act. We have broadly reviewed the cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 (1) of the Companies Act, 2013 and we are of the opinion that prima facie, the prescribed accounts and records have been so made and maintained. We have, however, not made detailed examination of the accounts and records with a view to determining whether they are accurate or complete.

vii. In respect of Statutory dues:

(a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective July 1, 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and based on our examination of the books of accounts of the Company, the Company is generally regular in depositing undisputed statutory dues in respect of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, duty of customs, cess and any other statutory dues to the appropriate authorities.

According to the information and explanations given to us, there are no statutory dues outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues outstanding on account of any dispute except the following dues which have not been deposited with appropriate authorities on account of dispute:

Name of the Statute	Nature of Dues	Amount (Rs. In Lakhs)	Period to which it relates (F.Y.)	Forum where matter is pending
Income Tax Act, 1961	Income Tax	0.17	2015 - 2016	Rectification application pending before assessing officer
	Income Tax	0.32	2017 – 2018	Rectification application pending before assessing officer
The Employees' Provident Funds And Miscellaneous Provisions Act, 1952	Provident Fund	4.68	01-04-1996 to 31-03-2010	Assistant/ Regional Provident Fund Commissioner. Commissioner
		1.69	01-04-1996 to 31-03-2014	
		11.29	01-04-1996 to 31-03-2014	
		7.91	01-04-2014 to 30-09-2014	

viii. According to the information and explanations given to us, there are no transactions which are not recorded in the books of accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, clause 3(viii) of the Order is not applicable.

ix. In respect of Loans taken:

(a) According to information and explanations given to us, the Company has not borrowed any funds, thus, question of repayment of loan and interest thereon does not arise. Accordingly, clause 3(ix) (a) of the Order is not applicable.

(b) According to the information and explanations given to us, including confirmations received from banks and representation received from the Management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanations given to us, the Company has not obtained any term loan during the year. Thus, question of utilisation does not arise. Accordingly, clause 3(ix) (c) of the Order is not applicable.

(d) According to the information and explanations given to us, the Company has not obtained any loan during the year, hence the question of utilisation of loan obtained on short term basis, for long term purpose does not arise. Accordingly, clause 3(ix) (d) of the Order is not applicable.

(e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures, hence, the question of obtaining funds from any entity or person on account of or to meet the obligations does not arise. Thus, clause 3(ix) (e) of the Order is not applicable.

(f) According to the information given to us, the company does not have any subsidiaries, associates or joint ventures, thus the question of raising any loan on pledge of securities of such entities does not arise. Accordingly, clause 3(ix) (f) of the Order is not applicable.

x. In respect of Public Offer

(a) According to the information and explanations given to us, during the year, the Company has not raised any funds by way of initial public offer or further public offer. Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year.

xi. In respect of Fraud

(a) Based on the audit procedures performed and information and explanations given by the management, we report that no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to the information and explanations given to us, the Company has not received any whistle blower complaints during the year. Accordingly, clause 3 (xi) (c) of the Order is not applicable.

xii. In respect of Nidhi Companies:

In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

xiii. In respect of Related Party Transaction:

According to the information and explanations given to us by the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the notes to the financial statements as required by the applicable Indian Accounting Standards.

xiv. In respect of Internal Audit

(a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) All the reports of the Internal Auditors for the period under audit were considered by us.

xv. In respect of non-cash transaction with Directors:

According to the information and explanations given to us and based on the examination of records conducted by us, during the year the Company has not entered into any non-cash transactions with its directors and hence provisions of section 192 of the Act are not applicable.

xvi. In respect of Non-Banking Companies:

(a) In our opinion and according to the information and explanations given to us, the Company is not required to register under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) (a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) According to information and explanation given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve bank of India. Accordingly, clause 3(xvi)(c) of the order is not applicable.

(d) The Company does not have any holding, subsidiary, associate companies, hence the question of having any CIC in the group does not arise.

xvii. The Company has incurred cash loss of Rs. 880.48 Lakhs in the current financial year but had not incurred cash losses in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios disclosed in note 32 (XVIII) to the financial statements, ageing and expected dates of realisation of financial assets and payment 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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither given any guarantee nor any assurance that all the 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. In respect of Corporate Social Responsibility:

(a) According to the information and explanations and based on the examinations of records, the Company is not required to transfer any amount to a fund specified in schedule VII of the Companies Act, 2013 within a period of six months of the expiry of the financial year in compliance with second proviso to subsection (5) of section 135 of the said Act. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) As stated in clause xx (a) above, as provision of section 135(5) of the Act is not applicable to the Company, thus the question of transferring of unspent amount to a special account in compliance with the provision of section 135(6) does not arise. Accordingly, clause 3(xx)(b) of the Order is not applicable.

xxi. In respect of Consolidated Financial Report

According to the information and explanations given to us and based on the examination of records by us, the Company is not a holding company of any other Company. Accordingly, clause 3(xxi) of the Order is not applicable.

For S H R & CO.
Chartered Accountants
FRN: 120491W

Deep N Shroff
Partner
Membership No. 122592
UDIN:

Place: Mumbai
Date: May 14, 2025

ANNEXURE: B TO THE INDEPENDENT AUDITOR'S REPORT

Referred in paragraph 2(g) under "Report on Legal and Regulatory Requirement" section of our report of even date on the Financial Statement of Hindoostan Mills Limited

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

1. We have audited the internal financial controls with reference to financial statements of **Hindoostan Mills 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.

2. Management's Responsibility for Internal Financial Controls

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

3. Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statement based on our audit. We have conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing 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 with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects to the extent applicable.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to the financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, 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 over financial reporting with reference to these financial statements.

4. Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these financial statements 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

5. Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, 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 with reference to these financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

6. Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has maintained, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as of March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S H R & CO.
Chartered Accountants
FRN: 120491W

Deep N Shroff
Partner
Membership No. 122592
UDIN:

Place: Mumbai
Date: May 14, 2025

Balance Sheet as at March 31, 2025

Rs. in lakhs

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
1 **Non-Current Assets**			
a Property, Plant & Equipment	3	1,255.94	1,370.52
b Right to use Assets	3	81.21	129.59
c Capital Work in Progress	4	9.54	15.33
d Financial Assets			
(i) Investment	5	1,734.58	1,529.06
(ii) Other Financial Assets	6	117.49	303.11
e Non-Current Tax Assets (Net)	7	33.84	58.67
f Other non-current assets	8	6.68	6.18
Total Non Current Assets (A)		**3,239.28**	**3,412.46**
2 **Current Assets**			
a Inventories	9	328.52	1,636.31
b Financial Assets			
(i) Investment	10	217.53	-
(ii) Trade Receivables	11	231.59	1,173.75
(iii) Cash and Cash equivalents	12	171.05	222.78
(iv) Other bank balances (other than (iii) above)	12	1,115.78	811.55
(v) Other Financial Assets	13	164.28	151.69
c Other Current Assets	14	61.42	101.90
d Assets held for Sale (Refer Note 32 (XVII))		-	0.71
Total Current Assets (B)		**2,290.17**	**4,098.69**
Total Assets (A)+(B)		**5,529.45**	**7,511.15**
EQUITY AND LIABILITIES			
1 **Equity**			
a Equity Share Capital	15	166.45	166.45
b Other Equity	16	3,749.08	4,846.53
Total Equity (A)		**3,915.53**	**5,012.98**
2 **Non-Current Liabilities**			
a Financial liabilities			
(i) Lease Liabilities	17	45.25	101.62
b Provisions	18	458.26	846.88
Total Non Current Liabilities (B)		**503.51**	**948.50**
3 **Current Liabilities**			
a Financial liabilities			
(i) Lease Liabilities	19	56.37	48.22
(ii) Trade payables	20		
I. Total outstanding dues of Micro Enterprises and Small Enterprises		92.90	279.74
II. Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		219.40	593.35
(iii) Other Financial Liabilities	21	7.15	6.78
b Other Current Liabilities	22	337.92	399.32
c Provisions	23	396.67	222.26
Total Current Liabilities (C)		**1,110.41**	**1,549.67**
Total Equity and Liabilities (A)+(B)+(C)		**5,529.45**	**7,511.15**
Material Accounting Policies	**2**		
The accompanying notes including other explanatory information form an integral part of the financial statements.	**32**		

Notes referred to above form an integral part of Balance Sheet
As per our report of even date attached

For and on behalf of the Board of Directors

For S H R & Co.
Chartered Accountants.
Firm's Registration No.: 120491W

Khushaal C. Thackersey
Joint Managing Director
DIN- 02416251

Abhimanyu J. Thackersey
Joint Managing Director
DIN- 00349682

Deep N Shroff
Partner
Membership No. : 122592
Place : Mumbai
Date : May 14, 2025

Shraddha P. Shettigar
Chief Financial Officer

Kaushik N. Kapasi
Company Secretary

Place : Mumbai
Date : May 14, 2025

Statement of Profit and Loss for the Year ended March 31, 2025
All amounts are in Rs. Lakhs except for earnings per share information

Rs. in lakhs

Particulars		Note No.	For the year ended March 31, 2025	For the year ended March 31, 2024
I	Revenue from Operations	24	3,315.25	8,826.40
II	Other Income	25	483.89	597.57
III	**Total Revenue**	(I+II)	**3,799.14**	**9,423.97**
IV	Expenses:			
	Cost of Materials Consumed	26	1,083.31	5,467.40
	Purchase of Stock-in-Trade		69.75	706.52
	Changes in Inventories of Finished Goods, Work-in-Process and Stock-in-Trade	27	1,151.27	(79.38)
	Employee Benefits Expenses	28	1,492.47	1,352.20
	Finance costs	29	23.73	42.24
	Depreciation and Amortisation Expenses	30	196.86	215.75
	Other Expenses	31	859.09	1,592.44
	Total Expenses		**4,876.48**	**9,297.17**
V	(Loss) / Profit Before Tax	(III + IV)	**(1,077.34)**	**126.80**
VI	Tax Expense		-	**-**
VII	(Loss) / Profit for the Period		**(1,077.34)**	**126.80**
VIII	Other Comprehensive Income			
A	(i) Items that will not be reclassified to Profit or Loss			
	(a) Remeasurement of the defined benefit plan		(20.11)	1.51
	(b) Equity Instrument through Other Comprehensive Income		-	-
	Total Other Comprehensive Income [A (i)]		(20.11)	1.51
IX	Total Comprehensive Income for the period (VII)+(VIII)		**(1,097.45)**	**128.31**
X	Earning per Equity Share of Rs. 10/- each			
	Basic and Diluted	₹	**(64.72)**	**7.62**
	(Refer Note 32 (V))			
Material Accounting Policies		2		
The accompanying notes including other explanatory information form an integral part of the financial statements.		32		

Notes referred to above form an integral part of Balance Sheet
As per our report of even date attached

For and on behalf of the Board of Directors

For S H R & Co.
Chartered Accountants.
Firm's Registration No.: 120491W

Khushaal C. Thackersey
Joint Managing Director
DIN- 02416251

Abhimanyu J. Thackersey
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Deep N Shroff
Partner
Membership No. : 122592
Place : Mumbai
Date : May 14, 2025

Shraddha P. Shettigar
Chief Financial Officer

Kaushik N. Kapasi
Company Secretary

Place : Mumbai
Date : May 14, 2025

Statement of Cash Flows for the Year Ended March 31, 2025

Rs. in lakhs

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
A. CASHFLOW FROM OPERATING ACTIVITIES		
(Loss) / Profit for the year	(1,077.34)	126.80
Depreciation and Amortisation expenses	196.86	215.75
Finance Cost	23.73	42.24
Bad Debts, Provision for Doubtful Debts and Advance Written Off	0.40	28.75
Provision for Doubtful Debts, Advances and Expected Credit Loss	33.67	0.80
Profit on Sale of Investments (Net)	(1.72)	(2.04)
Net Gain on Fair Value of Investments	(213.70)	(392.11)
Net Gain on Disposal of Property, Plant and Equipments	(36.29)	(16.44)
Provision for Doubtful Debts / Advances no longer required written back	(5.34)	(50.97)
Excess provision no longer required written back	(17.90)	(18.64)
Sundry Credit Balance Written Back	(16.37)	(8.61)
Interest Income	(117.70)	(65.22)
Property, Plant and Equipments Written off	0.04	6.99
Provision for Returns	(12.63)	18.02
Unrealized exchange (gain) / loss	(0.30)	0.15
	(167.25)	(241.33)
Operating Profit before Working Capital Changes	(1,244.59)	(114.53)
Changes in :		
(Increase)/Decrease Inventories	1,307.79	110.08
(Increase)/Decrease Trade Receivables	914.06	125.03
(Increase)/Decrease Other Financial Assets	185.26	(49.69)
(Increase)/Decrease Other Non- Financial Assets	39.58	466.23
Increase/(Decrease) Trade Payables	(526.59)	(278.86)
Increase/(Decrease) Other Financial Liabilities	(0.01)	(0.42)
Increase/(Decrease) Other Current Liabilities	(23.99)	27.33
Increase/(Decrease) Provisions	(207.57)	82.56
	1,688.53	482.26
Cash Generated from Operations	443.94	367.73
Direct Taxes paid (Net of Refunds)	(28.26)	(15.25)
Net Cash Generated From Operating Activities	415.68	352.48

Rs. in lakhs

Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
B. CASHFLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipments	(29.18)	(81.36)
Sale of Property, Plant and Equipments	38.04	88.87
Interest Received	104.64	45.27
Movement in other bank balance	(304.23)	(522.24)
Investments Purchased during the year	(349.98)	(309.98)
Investments Sold during the year	142.36	308.64
Net Cash used in Investing Activities	(398.35)	(470.80)
C. CASHFLOW FROM FINANCING ACTIVITIES		
Interest Paid	(10.72)	(4.32)
Payment for Lease Liabilities	(48.22)	(45.02)
Payment of interest on Lease liability	(10.12)	(14.44)
Net Cash used in Financing Activities	(69.06)	(63.78)
Net Increase in Cash and Cash Equivalents (A+B+C)	(51.73)	(182.10)
Cash and cash equivalents at the beginning of the year (Refer Note 12)	222.78	404.88
Cash and Cash Equivalents at the end of the year (Refer Note 12)	171.05	222.78

Notes :

1. Cash and Cash equivalents denote Cash and Bank balances at the year end.
2. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in India Accounting Standard 7- 'Statement of Cash Flows' (Ind AS - 7) issued by the Institute of Chartered Accountants of India.
3. Direct Taxes paid (Net of refunds) is treated as arising from operating activities and is not bifurcated between investing and financing activities.

Material Accounting Policies	2
The accompanying notes including other explanatory information form an integral part of the financial statements.	32

As per our report of even date attached

For and on behalf of the Board of Directors

For S H R & Co.
Chartered Accountants.
Firm's Registration No.: 120491W

Deep N Shroff
Partner
Membership No. : 122592
Place : Mumbai
Date : May 14, 2025

Khushaal C. Thackersey
Joint Managing Director
DIN- 02416251

Abhimanyu J. Thackersey
Joint Managing Director
DIN- 00349682

Shraddha P. Shettigar
Chief Financial Officer

Kaushik N. Kapasi
Company Secretary

Place : Mumbai
Date : May 14, 2025

Statement of Changes in Equity for the year ended March 31, 2025

(a) Equity Share Capital

Particulars	Numbers	Rs. in lakhs
Equity Shares of Rs. 10 each issued, subscribed & fully paid		
As at March 31, 2024	16,64,548	166.45
As at March 31, 2025	16,64,548	166.45

(b) Other Equity

Rs. in lakhs

Particulars	Reserves and Surplus					Other Reserves	Total Other Equity
	Capital Reserve	Capital Redemption Reserve	Securities Premium	General Reserve	Retained earnings	FVTOCI Equity Instruments	
As at March 31, 2023	**1,076.11**	**83.63**	**587.78**	**6,447.61**	**(3,476.90)**	**-**	**4,718.23**
(Loss) / Profit for the year					126.80		126.80
Remeasurement of Defined Benefit Plan taken to Other Comprehensive Income					1.51	-	1.51
Total Comprehensive Income for the year	-	-	-	-	128.31	-	128.31
As at March 31, 2024	**1,076.11**	**83.63**	**587.78**	**6,447.61**	**(3,348.59)**	**-**	**4,846.54**
(Loss) / Profit for the year	-	-	-	-	(1,077.34)	-	(1,077.34)
Remeasurement of Defined Benefit Plan taken to Other Comprehensive Income	-	-	-	-	(20.11)	-	(20.11)
Total Comprehensive Income for the year	-	-	-	-	(1,097.45)	-	(1,097.45)
As at March 31, 2025	**1,076.11**	**83.63**	**587.78**	**6,447.61**	**(4,446.04)**	**-**	**3,749.09**

As per our report of even date attached

For and on behalf of the Board of Directors

For S H R & Co.
Chartered Accountants.
Firm's Registration No.: 120491W

Khushaal C. Thackersey
Joint Managing Director
DIN- 02416251

Abhimanyu J. Thackersey
Joint Managing Director
DIN- 00349682

Deep N Shroff
Partner
Membership No. : 122592
Place : Mumbai
Date : May 14, 2025

Shraddha P. Shettigar
Chief Financial Officer

Kaushik N. Kapasi
Company Secretary

Place : Mumbai
Date : May 14, 2025

Notes to Financial statements for the Year ended 31st March, 2025

Note 1: Corporate Information:

Hindoostan Mills Limited ("the Company") is a Public Limited Company, incorporated under the provisions of the Companies Act, 1956 (as amended by the Companies Act, 2013). Its shares are listed on Bombay Stock Exchange. The Company is engaged in the business of Manufacture and Sale of Fabric and Yarn and Refiling of Elastic Calendar Bowls. The Company has its the Registered Office and principal place of business at Shivsagar Estate "D" Block, 8th floor, Dr. Annie Besant Road, Worli, Mumbai- 400018.

These financial statements were authorized for issue in accordance with the resolution of the Directors on May 14, 2025 and are subject to the approval of the shareholders at the Annual General Meeting.

Note 2: Material Accounting Policies Accounting Judgements, Estimates and Assumptions:

(A) Material Accounting Policies:

2.1 Statement of Compliance

The Ind-AS financial statements of the Company have been prepared in accordance with the relevant provisions of the Companies Act, 2013, the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and the Guidance Notes and other authoritative pronouncements issued by the Institute of Chartered Accountants of India (ICAI).

Accounting policies have been constantly applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

2.2 Basis of preparation presentation of Ind-AS Financial Statements:

2.2.1 Historical cost convention

These financial statements of the Company have been prepared in all material aspects in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under section 133 of the Companies Act, 2013 ('The Act') read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and accounting principles generally accepted in India.

The Ind-AS financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities (refer accounting policy no. 2.9 and under defined benefit plans refer accounting policy no. 2.16 measured at fair value). Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs.

2.2.2 Presentation of Financial Statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Act, as amended. The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act as amended, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Indian Accounting Standards.

2.2.3 Functional and Presentation Currency

The financial statements are presented in Indian Rupees ('INR' or 'Rupees' or 'Rs.) which is the functional currency for the Company.

2.2.4 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

Note 2: Material Accounting Policies (Contd.)

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- **Level 1** — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- **Level 2** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- **Level 3** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

2.2.5 Current and Non-Current Classification of Assets and Liabilities and Operating Cycle:

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act and Ind AS 1 Presentation of financial statements.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

Assets:

An asset is classified as current when it satisfies any of the criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within twelve months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities:

A liability is classified as current when it satisfies any of the criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets/ liabilities are classified as non-current.

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

Note 2: Material Accounting Policies (Contd.)

The Operating Cycle is the time between the acquisition of assets for business purposes and their realisation into cash and cash equivalents.

2.3 Property, Plant and Equipment (PPE):

Property, Plant and Equipment are recorded at their cost of acquisition, net of refundable taxes or levies, less accumulated depreciation and impairment losses, if any. Cost includes purchase price, borrowing costs if capitalisation criteria are met and any other directly attributable cost of bringing the asset to its working condition for the intended use. Such cost includes the cost of replacing part of the plant and equipment if the recognition criteria are met.

These are depreciated over the useful economic life and assessed for impairment whenever there is an indication that the asset may be impaired. The depreciation period and the depreciation method for an asset are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the depreciation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on assets with finite lives is recognised in the Statement of Profit and Loss.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates these components separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit or Loss as incurred.

Capital work-in-progress in respect of assets which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable borrowing costs (refer accounting policy 2.5), if any.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as Capital Advance under Other non-current assets.

Machinery Spares which can be used only in connection with a particular item of Fixed Asset and the use of which is irregular, are capitalised at cost. The cost thereof comprises of its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost for bringing the asset to its working condition for its intended use.

2.4 Depreciation:

Depreciation is recognised on the cost of Property, Plant & Equipments (other than freehold land and Capital work-in-progress) less their residual values on Written down value method over the useful lives as prescribed under Schedule II to the Companies Act, 2013, or as per technical assessment, except Plant & Equipments and Leasehold Improvements in Textile division which is depreciated on straight line basis. Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Note 2: Material Accounting Policies (Contd.)

2.4.1 The estimated useful lives of Tangible assets are as follows

Sr. No	PPE	Useful Life
1	Leasehold Land	over the period of lease i.e. 95 Years
2	Leasehold Improvements	over the period of lease i.e. 5 Years
3	Road	5 years
4	Buildings	30 / 60 years
5	Plant & Equipments	2 to 15 years
6	Office Equipments	5 years
7	Electrical Installations	10 years
8	Furniture & Fixture	10 years
9	Vehicle	8 years
10	Computer	3 years
11	Server	6 years

2.4.2 The Management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

2.4.3 Depreciation on additions to Fixed Assets is provided on pro-rata basis from the date of acquisition or installation, and in case of new project from the date of commencement of commercial production.

2.4.4 Depreciation on Assets sold, discarded, demolished or scrapped, is provided upto the date on which the said Asset is sold, discarded, demolished or scrapped.

2.4.5 Refer Note 2.16 on Accounting of leases as per Ind As 116 for right to use of assets.

2.5 Capital Work in Progress and Capital Advances:

Costs incurred for acquisition of capital assets outstanding at each balance sheet date are disclosed under capital work-in-progress. Advances given towards the acquisition of fixed assets are shown separately as capital advances under the head Other Non-Current Assets.

2.6 Impairment of Property Plant and Equipment, Investment Property and Intangible Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit or Loss.

2.7 Non-current assets held for sale / distribution to owners and discontinued operations :

The Company classifies non-current assets and disposal groups as held for sale / distribution if their carrying amounts will be recovered principally through a sale / distribution rather than through

Note 2: Material Accounting Policies (Contd.)

continuing use. Actions required to complete the sale / distribution should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale / distribution expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale / distribution classification is regarded to be met only when the assets or disposal group is available for immediate sale / distribution in its present condition, subject only to terms that are usual and customary for sales / distribution of such assets (or disposal groups), its sale / distribution is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale / distribution of the asset or disposal group to be highly probable when:

- The appropriate level of Management is committed to a plan to sell the asset (or disposal group),
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset (or disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale / for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell / distribute. Assets and liabilities classified as held for sale / distribution are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale / distribution are not depreciated or amortised.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the Statement of Profit and Loss.

Additional disclosures are provided in Note 32 (XVIII). All other notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned.

2.8 Financial Instruments:

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.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

2.8.1 Financial Assets:

2.8.1.1 Initial Recognition and Measurement:

All financial assets are recognised 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. 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 recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Note 2: Material Accounting Policies (Contd.)

2.8.1.2 Subsequent Measurement:

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial Assets at amortised cost
- Financial Assets at fair value through other comprehensive income (FVTOCI)
- Financial Assets including derivatives and equity instruments at fair value through profit or loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

Financial Assets at amortised cost

A 'Financial instrument' is measured at the amortised 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 amortised cost using the effective interest rate (EIR) method. Amortised 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 amortisation is included in other income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables, loans and other financial assets.

Financial instrument at FVTOCI

A 'Financial instrument' is classified as at the FVTOCI if both of the 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 other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit & Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit or Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial instrument at FVTPL:

FVTPL is a residual category for Financial instruments. Any Financial instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to classify a Financial 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').

Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of Profit & Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity, on such sale.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

Note 2: Material Accounting Policies (Contd.)

2.8.1.3 Effective interest method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other Income" line item.

2.8.1.4 Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company 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 (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

2.8.1.5 Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets and credit risk exposure:

(a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

(b) Financial assets that are equity instruments and are measured as at FVTOCI

(c) Financial guarantee contracts which are not measured as at FVTPL

(d) Lease receivables under Ind AS 116

(e) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables and
- All lease receivables resulting from transactions within the scope of Ind AS 116

Note 2: Material Accounting Policies (Contd.)

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P & L). This amount is reflected under the head ‘other expenses’ in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contract assets and lease receivables: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Equity instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as ‘accumulated impairment amount’ in the OCI.

Note 2: Material Accounting Policies (Contd.)

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

2.8.2 Financial Liabilities:

2.8.2.1 Initial Recognition and Measurement:

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

2.8.2.2 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 include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Statement of Profit & Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit or Loss.

Loans and Borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised 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 amortisation is included as finance costs in the Statement of Profit and Loss.

2.8.2.3 Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit or Loss.

Note 2: Material Accounting Policies (Contd.)

2.8.2.4 Reclassification of financial assets

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

Original Classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in the Statement of Profit & Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVOCI	Amortised Cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.

2.8.3 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.9 Inventories:

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

(i) Raw materials and Packing Material : weighted average cost in case of Textile and for ECK purchase cost on a first in, first out basis.

(ii) Finished goods and work in progress: cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs.

Note 2: Material Accounting Policies (Contd.)

(iii) Traded goods are valued at purchase cost on First in First out basis.

(iv) Stores and Spares are valued at weighted average cost.

(v) Waste Material are valued at net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

Goods and materials in transit are valued at actual cost incurred up to the date of balance sheet. Materials and other items held for use in production of inventories are not written down, if the finished products in which they will be used are expected to be sold at or above cost.

2.10 Cash and Cash Equivalent:

Cash and Cash Equivalents comprise of cash on hand and cash at bank including fixed deposit/highly liquid investments with original maturity period of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

2.11 Statement of Cash Flow:

The statement of cash flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash flows". Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flow from operating, investing and financing activities of the Company are segregated.

2.12 Foreign Currency Transactions:

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR). All amounts have been rounded off to the nearest Lakhs, except share data and as stated otherwise.

The transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Note 2: Material Accounting Policies (Contd.)

2.13 Revenue Recognition:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

- Identify the contract(s) with a customer
- Identify the performance obligation in contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract.
- Recognise revenue when (or as) the entity satisfies a performance obligation.

Goods and Service Tax (GST) is not received by the Company in its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

2.13.1 Sale of Goods:

Revenue from sale of goods is recognised when a promise in a customer contract (performance obligation) have been satisfied by transferring control over the promised goods to the customer. Control of goods is transferred upon the shipment of the goods to the customer or when goods is made available to the customer or as per the terms agreed with the customers. The amount of revenue to be recognised is based on the consideration expected to be received in exchange for goods, excluding discounts, sales returns and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, goods and services tax, etc., wherever applicable. Any additional amounts based on terms of agreement entered into with customers, is recognised in the period when the collectability becomes probable and a reliable measure of the same is available.

The transaction price is documented on the sales invoice and payment is generally due as per agreed credit terms with customer. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any). The Company estimates variable consideration at contract inception until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

Discounts

Discounts includes target and growth rebates, price reductions, incentives to customers or retailers. To estimate the amount of discount, the Company applies accumulated experience using the most likely method. The Company determines that the estimates of discounts are not constrained based on its historical experience, business forecast and the current economic conditions. The Company then applies the requirements on constraining estimates of variable consideration and recognises a refund liability for the expected discount. No element of financing is deemed present as the sales are made with credit terms largely ranging between 0 days to 90 days.

Contract balances

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer

Note 2: Material Accounting Policies (Contd.)

before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If the receivable is expected to be collected within a period of 12 months or less from the reporting date (or in the normal operating cycle of the business, if longer), they are classified as current assets otherwise as non-current assets.

Trade receivables are measured at their transaction price unless it contains a significant financing component inaccordance with Ind AS 115 for pricing adjustments embedded in the contract.

Loss allowance for expected lifetime credit loss is recognised on initial recognition.

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 recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Refund liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

2.13.2 Income from Services:

Income from services is recognised as they are rendered based on agreements / arrangements with the concerned parties, and recognised net of goods and services tax / applicable taxes.

2.13.3 Export Incentives Income:

Export incentives under various schemes notified by government are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

2.13.4 Rental Income:

Rent income is recognised based on agreements / arrangements with the concerned parties, and recognised net of goods and services tax / applicable taxes.

2.13.5 Interest Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.13.6 Dividend Income:

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

2.14 Government Grants:

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income

Note 2: Material Accounting Policies (Contd.)

on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and charged to the Statement of Profit and Loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

Government grants such as sales tax incentive, export benefit schemes are recognized in the Statement of Profit and Loss as a part of other operating revenues whereas grants related to royalty, power incentives and interest subsidies are netted of from the related expenses.

2.15 Employee Benefits:

2.15.1 Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, exgratia are recognised during the period in which the employee renders related service.

2.15.2 Post-Employment Benefits:

Defined Contribution plans:

Employee benefit in the form of Provident fund, Employees State Insurance Contribution and Labour Welfare fund are defined contribution plans. The Company has no obligation, other than the contribution payable to the respective fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined Benefit plans:

The Company provides for retirement benefit in the form of gratuity. The Company's liability towards this benefit is determined on the basis of actuarial valuation using Projected Unit Credit Method at the date of balance sheet.

The obligation towards defined benefit plans is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income (OCI) in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined

Note 2: Material Accounting Policies (Contd.)

benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement of net defined benefit liability.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

The defined benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Other long-term employee benefits :

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit and this is shown under current provision in the Balance Sheet. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company has accumulating and non accumulating leave. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes and this is shown under long term provisions in the Balance Sheet. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains / losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where the Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

2.16 Leases:

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and low value leases. For these short term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before

Note 2: Material Accounting Policies (Contd.)

the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

As a Lessee:

(i) Right-of-use assets

The Company recognises right-of-use (ROU) assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

(ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(iii) Short term leases and leases of low value of assets

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

As a lessor:

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent

Note 2: Material Accounting Policies (Contd.)

rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.17 Taxes :

Current Taxes:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted by the end of the reporting period.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Taxes:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

Note 2: Material Accounting Policies (Contd.)

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

2.18 Earnings Per Share:

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

2.19 Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company has been identified as being the Chief Operating Decision Maker (CODM) by the management of the Company. CODM for management purposes organises the Company into business units based on its products and services.

Further details about segment information are given in Note 32 (I).

2.20 Impairment of non-financial assets:

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash

Note 2: Material Accounting Policies (Contd.)

flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment loss of continuing operations, including impairment on inventories is recognised in the statement of profit and loss.

2.21 Provisions:

Provisions (legal and constructive) are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onerous contracts

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

2.22 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

2.23 Commitments:

Commitments are future liabilities for contractual expenditure. The commitments are classified and disclosed as follows:

(a) The estimated amount of contracts remaining to be executed on capital account and not provided for; and

(b) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of the Management.

Note 2: Material Accounting Policies (Contd.)

(B) Significant Accounting Judgements, Estimates and Assumptions:

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the Company disclosures, and the disclosure of contingent liabilities. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Difference between actual results and estimates are recognised in the periods in which the results are known / materialised.

Estimates, Assumptions and Judgements:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

(i) Useful life of Property, Plant and Equipment:

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life, its expected usage pattern and the expected residual value at the end of its life. The useful lives, usage pattern and residual values of Company's assets are determined by 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 technology etc.

(ii) Inventories:

The Company writes down inventories to net realisable value based on an estimate of the realisability of inventories. Write downs on inventories are recorded where events or changes in circumstances indicate that the carrying value may not be realised. The identification of write-downs requires the use of estimates of net selling prices of the down-graded inventories. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed.

(iii) Defined Benefit Obligation:

The Company's obligation on account of gratuity and compensated absences is determined based on 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, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

Note 2: Material Accounting Policies (Contd.)

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 32 (III).

(iv) Current Tax expense and Deferred Tax:

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. A tax assessement can involve complex issues, which can only be resolved over extended time periods. The recognisation of taxes that are subject to certain legal or economic limits or uncertainities is assessed individually by the managment based on the specific facts and circumstances.

(v) Recognition of Deferred Tax Assets/ Liabilities:

The recognition of deferred tax assets/ liabilities is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts.

(vi) Provisions & Contingent Liabilities:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances, which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognized.

(vii) Financial Instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 32 (VII) & (VIII) for further disclosures.

(viii) Allowance for uncollected accounts receivable and advances

Trade receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management seems them not collectible. Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the financial assets.

The impairment provisions for financial assets are based on assumption about risk of default and expected loss rates. Judgement in making these assumption and selecting the inputs to the impairment calculation are based on past history, existing market condition as well as forward looking estimates at the end of each reporting period.

Note 2: Material Accounting Policies (Contd.)

(ix) Impairment reviews

An impairment exists when the carrying value of an asset or cash generating unit ('CGU') exceeds its recoverable amount. Recoverable amount is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. In calculating the value in use, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of growth in EBITDA, long term growth rates; and the selection of discount rates to reflect the risks involved.

(C) Application of new Revised Ind AS

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendment to the existing standards under Companies (Indian Accounting Standards) Rules, 2015 as issued and amended from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 21 "The Effects of Changes in Foreign Exchange Rates", which introduces refinements to the definition of exchangeable currency and the methodology for estimating spot rates. Corresponding changes have also been made in Ind AS 101 "First-time Adoption of Indian Accounting Standards", applicable to the Company w.e.f. May 7, 2025. The Company has reviewed the new pronouncements based on its evaluation it has determined that it does not have any significant impact in its financial statements.

Notes to the Financial Statements for the year ended 31st March 2025

Note 3 :

Rs. in lakhs

A. PROPERTY, PLANT & EQUIPMENT

Description of assets	Leasehold Land	Leasehold Improvements	Roads	Buildings	Plant & Equipments	Office Equipment	Electrical Installation & Equimpents	Furniture & Fixture	Vehicles	Computer	Total
Gross Block											
As at April 1, 2023	51.19	72.41	0.26	767.83	5,132.78	22.63	90.45	54.51	39.86	33.33	6,265.25
Additions	-	-	-	-	45.65	0.24	-	6.86	50.39	6.46	109.60
Disposals	-	-	-	-	(116.76)	(1.09)	(1.11)	(2.70)	-	(0.58)	(122.24)
Transferred from Assets held for Sale (Refer Note 3.3)	(0.80)	-	-	-	-	-	-	-	-	-	(0.80)
As at March 31, 2024	**50.39**	**72.41**	**0.26**	**767.83**	**5,061.67**	**21.78**	**89.34**	**58.67**	**90.25**	**39.21**	**6,251.81**
Additions	-	-	-	-	15.73	5.29	3.52	1.69	-	8.74	34.97
Disposals	-	-	-	-	-	(1.11)	-	(0.11)	(13.80)	(1.70)	(16.72)
As at March 31, 2025	**50.39**	**72.41**	**0.26**	**767.83**	**5,077.40**	**25.96**	**92.86**	**60.25**	**76.45**	**46.25**	**6,270.06**
Accumulated Depreciation											
As at April 1, 2023	4.96	17.61	-	353.22	4,224.64	12.41	56.13	35.01	27.08	28.54	4,759.60
Depreciation expense for the year	0.71	14.63	-	34.88	67.78	2.31	7.31	6.23	5.57	2.70	142.12
Impairment during the year (Refer Note 3.1)	-	-	-	2.35	20.00	-	0.01	0.12			22.48
Eliminated on disposal of assets / reclassification	-	-	-	-	(37.95)	(0.92)	(0.97)	(2.40)	-	(0.58)	(42.82)
Transferred from Assets held for Sale (Refer Note 3.3)	(0.09)	-	-	-	-	-	-	-	-	-	(0.09)
As at March 31,2024	**5.58**	**32.24**	**-**	**390.45**	**4,274.47**	**13.80**	**62.48**	**38.96**	**32.65**	**30.66**	**4,881.29**
Depreciation expense for the year	0.70	14.59	-	31.60	65.03	1.63	7.92	5.58	17.87	3.55	148.47
Eliminated on disposal of assets / reclassification	-	-	-	-	-	(1.05)	-	(0.09)	(12.90)	(1.60)	(15.64)
As at March 31, 2025	**6.28**	**46.83**	**-**	**422.05**	**4,339.50**	**14.38**	**70.40**	**44.45**	**37.62**	**32.61**	**5,014.12**
Net Carrying Value											
As at March 31, 2025	**44.11**	**25.58**	**0.26**	**345.78**	**737.90**	**11.58**	**22.46**	**15.80**	**38.83**	**13.64**	**1,255.94**
As at March 31, 2024	**44.81**	**40.17**	**0.26**	**377.38**	**787.20**	**7.98**	**26.86**	**19.71**	**57.60**	**8.55**	**1,370.52**

Notes to Financial Statements for the year ended 31st March 2025

B. Right to Use Assets

Rs. in lakhs

Description of assets	Buildings	Total
Cost		
As at April 1, 2023	246.28	246.28
Additions	-	-
Disposals	-	-
As at March 31, 2024	246.28	246.28
Additions	-	-
Disposals	(14.26)	(14.26)
As at March 31, 2025	**232.02**	**232.02**
Accumulated Depreciation		
As at April 1, 2023	65.53	65.53
Depreciation expense for the year	51.16	51.16
Disposal of assets	-	-
As at March 31,2024	116.69	116.69
Depreciation expense for the year	48.39	48.39
Disposal of assets	(14.28)	(14.28)
As at March 31, 2025	**150.81**	**150.81**
Net Carrying Value		
As at March 31, 2025	**81.21**	**81.21**
As at March 31, 2024	129.59	129.59

NOTES:

3.1 Impairment losses recognised in the year

During the year ended March 31, 2025 and March 31, 2024, no impairment indicators existed for any of its Cash Generating Unit (CGU) and accordingly no provision for impairment has been recognised, except certain specific assets for which Rs. 22.48 lakhs have been provided as impairment loss during the year.

3.2 Contractual Commitments

Refer Note 32(IX) for disclosure of contractual commitments for the acquisition of PPE..

3.3 Asset Held for Sale

Refer Note 32(XVII) for Assets held for Sale.

3.4 Change due to Revaluation

During the year ended March 31, 2025 and March 31, 2024, there is no adjustments due to Revaluation of PPE by the Company.

3.5 Capitalised borrowing cost :

No borrowing costs are capitalised on property, plant and equipment.

3.6 Title deeds :

Title deeds of Leasehold land are in the name of the Company.

Note 4 : Capital Work-in-Progress

Rs. in lakhs

Description of assets	As at March 31, 2025	As at March 31,2024
Deemed cost		
Opening	15.33	30.09
Additions	9.54	5.28
Adjustments / Reduction	-	(4.68)
Transferred to PPE	(15.33)	(15.36)
TOTAL	**9.54**	**15.33**

Notes to Financial Statements for the year ended 31st March 2025

Note 4.1 : CWIP ageing schedule

CWIP as on March 31, 2025

Rs. in lakhs

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	9.54	-	-	-	9.54
Projects temporarily suspended	-	-	-	-	-
TOTAL	**9.54**	**-**	**-**	**-**	**9.54**

CWIP as on March 31, 2024

Rs. in lakhs

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	5.28	6.47	3.58	-	15.33
Projects temporarily suspended	-	-	-	-	-
TOTAL	**5.28**	**6.47**	**3.58**	**-**	**15.33**

Note 4.2 : CWIP completion schedule

CWIP as on March 31, 2025

Rs. in lakhs

Particulars	To be Completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
TOE Cutting machine	2.79	-	-	-	2.79
CNC Lathe machine	6.75	-	-	-	6.75
TOTAL	**9.54**	**-**	**-**	**-**	**9.54**

CWIP as on March 31, 2024

Rs. in lakhs

Particulars	To be Completed in				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Calender Machine upgradation	10.75	-	-	-	10.75
Facing / Centeromg Machine	4.58	-	-	-	4.58
TOTAL	**15.33**	**-**	**-**	**-**	**15.33**

Notes to Financial Statements for the year ended 31st March 2025

Note 5 : Non Current - Investments Rs. in lakhs

Particulars	**As at March 31, 2025**	**As at March 31,2024**
Investment measured at Fair Value through Profit and Loss Account		
- Mutual Funds (Unquoted)		
15,12,075.357 (March 31, 2024: 15,12,075.357) units of Parag Parikh Flexi Cap - Direct Plan	1,297.36	1,132.07
29,62,074.735 (March 31, 2024 : 29,62,074.735) units of Parag Parikh Conservative Hybrid Fund - Direct Plan Growth	437.22	396.99
TOTAL	**1,734.58**	**1,529.06**
Aggregate amount of quoted investments at cost	-	-
Market value of quoted investments	-	-
Aggregate amount of unquoted investments at carrying cost which is the fair value	1,734.58	1,529.06
Aggregate amount of impairment in value of investments	-	-

Note 6 : Non-Current Assets - Other Financial Assets Rs. in lakhs

Particulars	**As at March 31, 2025**	**As at March 31,2024**
Unsecured, Considered Good (at Amortised Cost)		
Security Deposit	85.98	127.30
Bank Deposits with more than twelve months maturity (Refer Note 6.1)	31.51	175.81
TOTAL	**117.49**	**303.11**

Note 6.1:
Long term fixed deposits are of more than twelve months and Interest rate is 7.30%.

Note 7 : Non-Current Tax Assets (Net) Rs. in lakhs

Particulars	**As at March 31, 2025**	**As at March 31,2024**
Income Tax Receivable (Net of Provisions)	33.84	58.67
TOTAL	**33.84**	**58.67**

Note 8 : Non-Current Assets - Other Non Financial Assets Rs. in lakhs

Particulars	**As at March 31, 2025**	**As at March 31,2024**
Unsecured, Considered Good		
(i) Prepaid Expenses	3.01	2.51
(ii) Balances with Government authorities (other than income taxes)	3.67	3.67
TOTAL	**6.68**	**6.18**

Notes to Financial Statements for the year ended 31st March 2025

Note 9 : Inventories Rs. in lakhs

Particulars	As at March 31, 2025	As at March 31,2024
Inventories (lower of cost and net realisable value)		
Raw Materials	208.16	357.30
Work-in-Process	62.71	402.45
Finished Goods	37.23	626.84
Stock-in-Trade	-	162.96
Stores, Spares and Loose tools	19.96	62.48
Waste Stock	0.46	24.28
TOTAL	**328.52**	**1,636.31**

Note 9.1 : Rs. in lakhs

Particulars	As at March 31, 2025	As at March 31,2024
a) Inventories valued at NRV	16.47	192.52
b) Inventories written down during the year	94.36	51.84

Included above, Stock-in-Transit Rs. in lakhs

Particulars	As at March 31, 2025	As at March 31,2024
a) Raw Materials	32.85	35.62
b) Finished Goods	11.93	-
	44.78	**35.62**

Note 10 : Current Assets - Investments Rs. in lakhs

Particulars	As at March 31, 2025	As at March 31,2024
Investments measured at Fair Value through Profit & Loss		
Unquoted :		
Investments in Mutual Funds		
15,148.247 (March 31, 2024: Nil) units of Parag Parikh Liquid Fund Direct Plan Growth	217.53	-
TOTAL	**217.53**	**-**
Aggregate amount of quoted investments at cost	-	-
Market value of quoted investments	-	-
Aggregate amount of unquoted investments at carrying cost which is the fair value	217.53	-
Aggregate amount of impairment in value of investments.	-	-

Notes to Financial Statements for the year ended 31st March 2025

Note 11 : Trade Receivables (Unsecured unless stated otherwise) (At amortised cost) Rs. in lakhs

Particulars	As at March 31, 2025	As at March 31,2024
Unsecured, considered Good		
Trade Receivables - Considered good	231.59	1,173.75
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables – credit impaired	82.04	53.71
TOTAL	**313.63**	**1,227.46**
Less : Expected Credit Loss Allowances	(82.04)	(53.71)
TOTAL	**231.59**	**1,173.75**
Of the above Trade Receivables from		
- Related Parties (Refer Note 33 (IV))	-	-
- Others	231.59	1,173.75
TOTAL	**231.59**	**1,173.75**

Note 11.1 :

No trade receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivable are due from firms or private companies respectively in which any director is a partner or a director or a member except as stated above. Trade receivables are non interest bearing. The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risks on an ongoing basis throughout each reporting period. The average credit period allowed to the customers is in the range of 0 - 60 (P.Y. 0 - 90) days.

Note 11.2 : Movement in Allowance for Doubtful Trade receivables Rs. in lakhs

Particulars	As at March 31, 2025	As at March 31,2024
Balance as at the beginning of the year	53.71	104.61
Add : Allowances made during the year	33.67	0.80
Less : Amounts recovered / written back during the year	(5.34)	(51.70)
Balance as at the end of the year	82.04	53.71

Notes to Financial Statements for the year ended 31st March 2025

Note 11.3 : Trade Receivable ageing as on March 31, 2025 Rs. in lakhs

Particulars		Outstanding for following periods from due date of payment						Total
	Unbilled	Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	-	234.94	0.01	0.60	-	-	**235.55**
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
(iii) Undisputed Trade receivables - credit impaired	-	-	15.09	8.36	25.55	-	15.00	**64.00**
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-	**-**
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	14.08	**14.08**
Total	**-**	**-**	**250.03**	**8.37**	**26.15**	**-**	**29.08**	**313.63**
Less Allowance for doubtful debts (including Expected Credit Loss Allowances)								**(82.04)**
Net Trade Receivable								**231.59**

Note 11.4 : Trade Receivable ageing as on March 31, 2024 Rs. in lakhs

Particulars	Unbilled	Outstanding for following periods from due date of payment						Total
		Not due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	719.46	433.89	35.75	3.95	-	-	**1,193.05**
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	16.90	-	**16.90**
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-	**-**
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	17.51	**17.51**
Total	**-**	**719.46**	**433.89**	**35.75**	**3.95**	**16.90**	**17.51**	**1,227.46**
Less Allowance for doubtful debts (including Expected Credit Loss Allowances)								**(53.71)**
Net Trade Receivable								**1,173.75**

Notes to Financial Statements for the year ended 31st March 2025

Note 12 : Cash and Bank Balances Rs. in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and Cash equivalents		
(a) Balances with Banks	170.29	221.46
(b) Cash on Hand	0.76	1.32
TOTAL	**171.05**	**222.78**
Other Bank Balances		
(a) Balances with bank		
- Bank Deposits (Refer Note 12.3)	1,114.96	810.78
- Margin Money Deposit	0.82	0.77
(Under Lien for Bank Guarantees issued by the Banks)		
TOTAL	**1,115.78**	**811.55**

Note 12.1:

Short term fixed deposits are varying between three months and twelve months, depending on the immediate cash requirements and earn interest at the respective short term deposit rate. Interest rate is between 6.8% - 7.40%.

Note 12.2:

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as above.

Note 12.3:

The Company has obtained overdraft facilities of Rs. 245.93 Lakhs against the bank deposits issued by bank. The Company has not utilised the said credit facilities any time during the year and prior year and hence, none of the bank deposits have been lien marked by any bank(except as stated in Note 12) for the said credit facility.

Note 13 : Current Assets - Other Financial Assets (Unsecured, considered Good) Rs. in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
(at amortised cost)		
Security Deposits	0.38	-
Interest Receivable	36.17	23.96
State Subsidy Receivable (Refer Note 32 (XV)	127.73	127.73
TOTAL	**164.28**	**151.69**

Notes to Financial Statements for the year ended 31st March 2025

Note 14 : Other Current Assets (Unsecured, considered Good)

Rs. in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Advances other than capital advances		
Export Incentive Receivable	1.67	3.62
Balances with Government authorities (other than income taxes)	42.74	39.18
Advances to Employees Credit Impaired	17.25	20.06
Less : Allowance for credit loss	(17.25)	(20.06)
	-	-
Advances to Suppliers	9.40	1.19
Prepaid Expenses	7.58	49.86
Other Receivables	0.03	8.05
Other Receivables Credit Impaired	0.61	0.61
Less : Allowance for credit loss	(0.61)	(0.61)
	0.03	8.05
TOTAL	**61.42**	**101.90**

Note 15 : Equity Share Capital

Rs. in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised Capital		
2,77,67,500 (March 31, 2024 : 2,77,67,500) Equity Shares of Rs. 10/- each	2,776.75	2,776.75
2,500 (March 31, 2024 : 2,500) 5% Redeemable Cumulative "A" Preference Shares of Rs. 10/- each	0.25	0.25
7,80,000 (March 31, 2024 : 7,80,000) 15% Non Convertible Redeemable Non Cumulative Preference Shares of Rs. 10/- each	78.00	78.00
1,00,00,000 (March 31, 2024 : 1,00,00,000) Preference Shares of Rs. 10/- each	1,000.00	1,000.00
TOTAL	**3,855.00**	**3,855.00**
Issued , Subscribed and Paid up Capital		
16,64,548 (March 31, 2024 : 16,64,548) Equity Shares of Rs. 10 /- each fully paid up	166.45	166.45
TOTAL	**166.45**	**166.45**

Rights and Terms attached to Equity Shares :

The Company has issued only one class of shares referred to as Equity Shares having a par value of Rs. 10/-. Each holder of Equity Shares is entitled to one vote per share. The dividend proposed by the Board is subject to the approval of shareholders except in case of interim dividend.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining Assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

The Company has not issued any equity shares as bonus or for consideration other than cash and has not bought back any shares during the period of five years immediately preceding March 31, 2025.

Notes to Financial Statements for the year ended 31st March 2025

Reconciliation of Number of Shares outstanding at the beginning and at the end of the Year

Particulars	Opening Balance	Fresh Issue	Closing Balance
Equity shares with voting rights			
Year ended March 31, 2024			
Number of shares	16,64,548	-	16,64,548
Amount (₹ in Lakhs)	166.45	-	166.45
Year ended March 31, 2025			
Number of shares	16,64,548	-	16,64,548
Amount (₹ in Lakhs)	166.45	-	166.45

Shares held by promoters at the end of the year

Name of Equity Shareholders	As at March 31, 2025		As at March 31, 2024		% Change during the year
	No. of Shares Held	Percentage of Holding	No. of Shares Held	Percentage of Holding	
Mr. Khushaal Thackersey	1,28,079	7.69%	1,28,079	7.69%	0.00%
Chandrali Investments Private Limited	87,266	5.24%	87,266	5.24%	0.00%
Delta Investments Private Limited	1,45,509	8.74%	1,45,509	8.74%	0.00%
Mr. Jagdish Thackersey	2,15,575	12.95%	2,15,575	12.95%	0.00%
Mr. Abhimanyu J Thackersey	1,33,388	8.01%	1,33,388	8.01%	0.00%
Ms. Ameeta J Thackersey	25,148	1.51%	25,148	1.51%	0.00%
Ms. Bhavika Nimish Sonawala	5,640	0.34%	5,640	0.34%	0.00%
Mr. Hrishikesh J Thackersey	1,29,238	7.76%	1,29,238	7.76%	0.00%
Ms. Leena C Thackersey	1,29,163	7.76%	1,29,163	7.76%	0.00%
Ms. Mitika C Nanavati	7,691	0.46%	7,691	0.46%	0.00%

Shareholders holding more than 5% shares of the Company

Name of Equity Shareholders	As at March 31, 2025		As at March 31, 2024	
	No. of Shares Held	Percentage of Holding	No. of Shares Held	Percentage of Holding
Mr. Khushaal Thackersey	1,28,079	7.69%	1,28,079	7.69%
Chandrali Investments Private Limited	87,266	5.24%	87,266	5.24%
Delta Investments Private Limited	1,45,509	8.74%	1,45,509	8.74%
Mr. Jagdish Thackersey	2,15,575	12.95%	2,15,575	12.95%
Mr. Hiren Kara	1,19,721	7.19%	1,19,721	7.19%
Mr. Abhimanyu J Thackersey	1,33,388	8.01%	1,33,388	8.01%
Mr. Hrishikesh J Thackersey	1,29,238	7.76%	1,29,238	7.76%
Mr. Yogesh Uttamlal Mehta	-	0.00%	99,226	5.96%
Ms. Leena Chandrahas Thackersey	1,29,163	7.76%	1,29,163	7.76%

Notes to Financial Statements for the year ended 31st March 2025

Note 16 : Other Equity

Rs. in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Capital Reserve		
Balance at the beginning of the reporting period	1,076.11	1,076.11
Movement	-	-
Balance at end of the year	**1,076.11**	**1,076.11**
Capital Redemption Reserve		
Balance at the beginning of the reporting period	83.63	83.63
Movement	-	-
Balance at end of the year	**83.63**	**83.63**
Securities Premium Account		
Balance at the beginning of the reporting period	587.78	587.78
Movement	-	-
Balance at end of the year	**587.78**	**587.78**
Other Reserve		
General Reserve		
Balance at the beginning of the reporting period	6,447.61	6,447.61
Movement	-	-
Balance at end of the year	**6,447.61**	**6,447.61**
Retained Earnings		
Balance as at the beginning of the year	(3,325.42)	(3,452.22)
Reclassification of OCI due to Sale of Investments	-	-
Less : (Loss) / Profit for the year	(1,077.34)	126.80
Balance in Surplus	**(4,402.76)**	**(3,325.42)**
Other Comprehensive Income		
Balance as at the beginning of the year	(23.18)	(24.68)
Add : Movement in OCI (net) during the year	(20.11)	1.51
Balance as at the end of the year	**(43.29)**	**(23.18)**
TOTAL	**3,749.08**	**4,846.53**

Nature and Purpose of the Reserves :

Note 16.1 :

Persuant to the amalgamation in the earlier years, Capital Reserve, Capital Redemption Reserve and Securities premium have been incorporated in the Company. This reserves will be utilised in accordance with the provisions of the Companies Act, 2013.

Note 16.2 :

General Reserves is created pursuant to the scheme of amalgamation and transfer profits from Retained earnings for appropriation purpose. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

Note 16.3 :

The Company has elected to recognise changes in the fair value of certain investments in equity securities and changes in actuarial gains and losses on re-measurement of defined benefit plan.

Notes to Financial Statements for the year ended 31st March 2025

Note 17 : Non-Current Liabilities - Financial Liabilities Rs. in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Lease Liabilities (Refer Note 32 (II))	45.25	101.62
TOTAL	**45.25**	**101.62**

Note 18 : Non-Current Liabilities - Provisions Rs. in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Employee Benefits (Refer Note 32 (III))		
- for Gratuity	109.04	442.09
- for Leave Salary	32.14	86.44
TOTAL (A)	**141.18**	**528.53**
Provision for Others		
- for Disputed Matters (Refer Note 32 (XIII)	317.08	318.35
TOTAL (B)	**317.08**	**318.35**
TOTAL (A + B)	**458.26**	**846.88**

Note 19 : Current Liabilities - Financial Liabilities Rs. in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Lease Liabilities (Refer Note 32 (II))	56.37	48.22
TOTAL	**56.37**	**48.22**

Note 20 : Trade Payables Rs. in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
i. Total outstanding dues of Micro Enterprises and Small Enterprises (Refer Note 20.1)	92.90	279.74
ii. Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises (Refer Note 33 (XIV))	219.40	593.35
TOTAL	**312.30**	**873.09**

Note 20.1 :

The above information has been provided as available with the Company to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSMED Act.

Note 20.2 :

The average credit period on purchases is 0 to 60 days.

Notes to Financial Statements for the year ended 31st March 2025

Note 20.3 : Trade Payables Ageing as on March 31, 2025 Rs. in lakhs

Particulars	Unbilled	Not due	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	14.85	71.83	6.22	-	-	-	**92.90**
(ii) Others	37.72	110.64	37.02	23.63	2.88	7.51	**219.40**
(iii) Disputed dues - MSME	-	-	-	-	-	-	**-**
(iv) Disputed dues - Others	-	-	-	-	-	-	**-**
TOTAL	**52.57**	**182.47**	**43.24**	**23.63**	**2.88**	**7.51**	**312.30**

Note 21.4 : Trade Payables Ageing as on March 31, 2024 Rs. in lakhs

Particulars	Unbilled	Not due	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	13.04	266.70	-	-	-	-	279.74
(ii) Others	88.35	309.54	144.49	20.40	17.31	8.02	588.11
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	5.24	5.24
TOTAL	**101.39**	**576.24**	**144.49**	**20.40**	**17.31**	**13.26**	**873.09**

Note 21 : Other Financial Liabilities Rs. in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
<u>Others</u>		
(i) Security Deposits	4.32	5.11
(ii) Other Liabilities	2.83	1.67
TOTAL	**7.15**	**6.78**

Note 22 : Other Current Liabilities Rs. in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
<u>Other Advances</u>		
Advances from Customers	15.05	61.29
Advances for Sale of Property, Plant and Equipment	-	43.90
<u>Others</u>		
Statutory Dues	47.02	61.17
Employee Payable	214.20	176.30
Payable for Property, Plant and Equipments (Refer Note 22.1)	9.08	3.91
Other Liabilities	52.57	52.75
TOTAL	**337.92**	**399.32**

Note 22.1:

Includes Rs. 9.08 (P.Y. Nil) outstanding towards dues of Micro and Small Enterprises as per MSMED Act, 2006.

Notes to Financial Statements for the year ended 31st March 2025

Note 23 : Provisions Rs. in lakhs

Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Provision for Employee Benefits (Refer Note 32 (III))		
- for Gratuity	353.60	177.66
- for Leave Salary	37.68	26.58
Others	391.28	204.24
Provisions for Return (Refer Note 32 (XIII))	5.39	18.02
TOTAL	**396.67**	**222.26**

Note 24 : Revenue from Operations Rs. in lakhs

Particulars	**For the year ended March 31, 2025**	**For the year ended March 31, 2024**
Sale of Products (Net of Returns and GST)	3,168.51	8,637.40
Sale of Services (Net of Returns and GST)	88.07	99.30
Total (Refer Note 32 (I))	**3,256.58**	**8,736.70**
Other Operating Revenues		
Export Incentives	14.23	34.84
Other Income	44.44	54.86
	58.67	**89.70**
TOTAL	**3,315.25**	**8,826.40**

Disaggregation of Revenue Rs. in lakhs

Particulars	**For the year ended March 31, 2025**	**For the year ended March 31, 2024**
Segment		
- Textile	1,713.27	6,989.48
- Engineering	1,543.31	1,747.22
Total revenue from contracts with customers	**3,256.58**	**8,736.70**
Revenue based on Geography		
- India	2,989.66	8,215.15
- Outside India	266.92	521.55
Total revenue from contracts with customers	**3,256.58**	**8,736.70**
Timing of revenue recognition		
Goods transferred at a point in time	3,168.51	8,637.40
Services transferred at a point in time	88.07	99.30
Total revenue from contracts with customers	**3,256.58**	**8,736.70**

Reconciliation of Revenue from operations with contract price Rs. in lakhs

Particulars	**For the year ended March 31, 2025**	**For the year ended March 31, 2024**
Contract Price	3,357.05	8,884.63
Reductions towards variable consideration components :		
Freight charges	24.48	27.81
Commission, Brokerage and Incentives	74.76	114.21
Cash Discount on Sales	1.24	5.91
Total Revenue from Operations	**3,256.58**	**8,736.70**

Notes to Financial Statements for the year ended 31st March 2025

Contract Balances

Rs. in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Trade receivables	231.59	1,173.75
Contract assets	-	-
Contract liabilities (Advance received from customers)	15.05	61.29

Note 25: Other Income

Rs. in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Income (Refer Note 25.1)	117.70	65.22
Profit on Sale of Investments (Net)	1.72	2.04
Fair Value Gain on Mutual Fund Valued as FVTPL	213.70	392.11
Provision for Doubtful Debts / Advances no Longer Required Written Back	5.34	50.97
Insurance Claim Received	19.68	0.62
Profit on sale of Property, Plant and Equipments (Net)	36.29	16.44
Sundry Credit Balances Written back	16.37	8.61
Excess provision of earlier year no longer required written back	30.53	18.64
Exchange Gain (Net)	5.45	7.30
Miscellaneous Income	37.11	35.62
TOTAL	**483.89**	**597.57**

Note 25.1 : Details of Interest Income

Rs. in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Income		
- At Amortised Cost EIR basis	0.85	0.83
- On Income Tax Refund	1.81	-
- On bank deposits	90.67	45.34
- from Related parties	-	11.97
- Interest Income on others	24.37	7.08
	117.70	**65.22**

Note 26 : Cost of Materials Consumed

Rs. in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening Stock	357.30	542.14
Add : Purchase of Raw Materials	961.31	5,282.56
Less : Inventory transferred to Finished Goods	27.14	-
Less : Closing Stock	208.16	357.30
TOTAL	**1,083.31**	**5,467.40**

Notes to Financial Statements for the year ended 31st March 2025

Note 27 : Change in Inventories Rs. in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening Stock		
Work-in-Process	402.45	386.38
Waste Stock	24.28	12.68
Finished Goods	634.84	583.27
Traded Goods	162.96	164.33
TOTAL	1,224.53	1,146.66
Less : Transferred to Property, Plant and Equipments	-	1.51
Add : Transferred from Raw Material	27.14	-
Less : Closing stock		
Work-in-Process	62.71	402.45
Waste Stock	0.46	24.28
Finished Goods (including Right to Return)	37.23	634.84
Traded Goods	-	162.96
	100.40	1,224.53
TOTAL	**1,151.27**	**(79.38)**

Note 28 : Employee Benefits Expenses Rs. in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, Wages, Allowances and Other Benefits	1,353.68	1,175.53
Contribution to Provident and other funds (Refer Note 32 (III))		
to Provident Fund	67.02	89.02
to Employee's State Insurance Corporation	8.02	10.46
to Labour Welfare Fund	0.24	0.14
to Superannuation Fund	3.00	3.85
Gratuity (Refer Note 32 (III))	45.98	56.81
Staff Welfare Expense	14.53	16.39
TOTAL	**1,492.47**	**1,352.20**

Note 29 : Finance Costs Rs. in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Expenses		
- on Lease Liability	10.12	14.44
- on MSME Vendors	0.51	19.03
- on Others	13.10	8.77
TOTAL	**23.73**	**42.24**

Notes to Financial Statements for the year ended 31st March 2025

Note 30 : Depreciation and Amortisation Expenses

Rs. in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
On Property, Plant and Equipments (Refer Note 3)	148.47	164.59
On Right to Use Asset (Refer Note 3)	48.39	51.16
TOTAL	**196.86**	**215.75**

Note 31 : Other Expenses

Rs. in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Consumption of Packing Material, Stores and Spares	111.92	285.12
Power and Fuel (Net of Subsidy Rs. 21.08 lakhs (P.Y. Rs. 122.32 lakhs) received from Government of Maharashtra)	188.19	593.39
Processing Charges	107.24	232.00
Rent	9.39	7.40
Rates and Taxes (excluding Income Tax)	11.40	11.03
Repairs to Buildings	3.55	0.18
Repairs to Machinery	14.09	8.85
Other Repairs	38.13	50.14
Insurance	52.04	53.63
Freight, Forwarding and Clearing Charges	29.95	48.04
Legal and Professional Fees	89.96	65.27
Payment to Auditors (Refer Note 31.1)	23.81	23.93
Directors Fees	5.95	7.30
Bad Debts and Advance Written Off	0.40	28.75
Provision for Doubtful Debts, Advances and Expected Credit Loss (Refer Note 31.2)	33.67	0.80
Travelling, Conveyance and Vehicle Expenses	65.10	74.24
Communication Expenses	8.02	10.74
Miscellaneous Expenses	66.28	91.63
TOTAL	**859.09**	**1,592.44**

Note 31.1 : Payment to Auditors

Rs. in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
For Audit Fees	18.70	18.70
For Tax Audit	1.80	1.80
For Other Work	2.93	2.90
For Out of Pocket	0.38	0.53
	23.81	**23.93**

Other Notes to Accounts (Contd.)

Note 31.2 : Provision for doubtful Debts & Advances

Rs. in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Expected credit loss for trade receivable	(15.32)	(16.10)
(b) Allowances for doubtful debts and advances	48.99	16.90
	33.67	**0.80**

Note 32 : Other Notes to Accounts

I. Segment Information :

The Board of Directors of the Company has been identified as being the Chief Operating Decision Maker (CODM) by the Management of the Company. CODM for Management purposes organises the Company into business units based on its products and services for the purpose of making decisions about resource allocation and performance assessment and has Two reportable segments.

A Information about Business Segment - Primary

Rs. in lakhs

i) Particulars	Textile		Engineering		Total	
	2024 - 2025	**2023 - 2024**	**2024 - 2025**	**2023 - 2024**	**2024 - 2025**	**2023 - 2024**
Segment Revenue						
Revenue from Operations	1,737.21	7,039.23	1,578.04	1,789.40	3,315.25	8,828.63
Less: Inter Segment Revenue	-	(2.23)	-	-	-	(2.23)
Net Revenue	**1,737.21**	**7,037.00**	**1,578.04**	**1,789.40**	**3,315.25**	**8,826.40**
Result						
Segment Results	(1,328.26)	(293.79)	154.01	195.44	(1,174.25)	(98.35)
TOTAL					**(1,174.25)**	**(98.35)**
Unallocated Corporate Income / (Expense)					2.94	202.17
Operating Profit					**(1,171.31)**	**103.82**
Interest Expenses					23.73	42.24
Interest / Dividend Income					117.70	65.22
(Loss) /Profit Before Tax					**(1,077.34)**	**126.80**
Income Tax					-	-
(Loss) /Profit for the year					**(1,077.34)**	**126.80**

Other Notes to Accounts (Contd.)

ii) Other Information

Rs. in lakhs

Particulars	Textile		Engineering		Total	
	2024 - 2025	2023 - 2024	2024 - 2025	2023 - 2024	2024 - 2025	2023 - 2024
Other Information						
Segment Assets	1,114.67	3,527.33	1,078.86	1,138.11	2,193.53	4,665.44
Add: Unallocable common Assets					3,335.92	2,845.71
TOTAL ASSETS					**5,529.45**	**7,511.15**
Segment Liabilities	931.68	1,645.36	403.02	513.03	1,334.70	2,158.39
Add: Unallocable Common Liabilities					279.22	339.78
TOTAL LIABILITIES					**1,613.92**	**2,498.17**
Depreciation and Amortisation	45.05	73.70	73.12	76.78	118.17	150.48
Add: Unallocable Depreciation					78.69	65.27
					196.86	**215.75**

iii) Non Cash Items :

Non Cash Items for the year ended March 31, 2025

Rs. in lakhs

Particulars	Textile	Engineering	Unallocated	Total
Material non-cash items other than depreciation and amortisation				
a) Bad Debts and Advance Written Off	0.15	0.23	0.02	**0.40**
b) Provision for Doubtful Debts, Advances and Expected Credit Loss	35.67	(2.00)	-	**33.67**
c) Provision for Doubtful Debts / Advances no longer required written back	(3.44)	(1.90)	-	**(5.34)**
d) Excess provision no longer required written back	(27.79)	(2.75)	-	**(30.54)**
e) Sundry Credit Balance Written Back	(11.28)	(0.09)	(5.00)	**(16.37)**

Non Cash Items for the year ended March 31, 2024

Rs. in lakhs

Particulars	Textile	Engineering	Unallocated	Total
Material non-cash items other than depreciation and amortisation				
a) Bad Debts, Provision for Doubtful Debts and Advance Written Off	27.76	0.87	0.12	**28.75**
b) Provision for Doubtful Debts, Advances and Expected Credit Loss	1.63	(0.83)	-	**0.80**
c) Provision for Doubtful Debts / Advances no longer required written back	(50.97)	-	-	**(50.97)**
d) Excess provision no longer required written back	(13.91)	(4.17)	(0.56)	**(18.64)**
e) Sundry Credit Balance Written Back	(1.92)	(6.69)	-	**(8.61)**

Other Notes to Accounts (Contd.)

B Secondary Segment: Geographical Segment

Rs. in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from External Customers		
India	2,989.66	8,215.15
Outside India	266.92	521.55
TOTAL	**3,256.58**	**8,736.70**

Rs. in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Segment assets based on their location		
India	5,529.45	7,511.15
Outside India	-	-
TOTAL	**5,529.45**	**7,511.15**
Addition to Property, Plant and Equipment		
India	34.97	109.60
Outside India	-	-
TOTAL	**34.97**	**109.60**

C No single customer contributed 10% or more to the Company's revenue for the year ended March 31, 2025 and March 31, 2024.

D The accounting policies of the reportable segments are the same as the Company's accounting policies described in note 2.19.

E Segment (Loss) / Profit represents the (Loss) / Profit before finance cost and tax earned by each segment without allocation of central administration costs and directors' salaries, investment income and finance costs. This is the measure reported to the Chief Operating Decision Maker for the purposes of allocation and assessment of segment performance.

II. DISCLOSURE UNDER IND AS 116 "LEASES":

A As a Lessee :

The Company has lease contracts for office premises & godowns with lease terms between 3 and 5 years. Generally, the Company is restricted from assigning and subleasing the leased assets.

(i) The following amounts are recognised in the Statement of Profit and Loss for the year Rs. in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation of Right to use assets	48.39	51.16
Interest on lease liabilities	10.12	14.44
Expenses related to short term leases (Disclosed under the head - Rent in Other Expenses)	4.13	3.62
TOTAL	**62.64**	**69.22**

Other Notes to Accounts (Contd.)

(ii) The following table sets out the maturity analysis of lease liability to be paid after the reporting date:

Rs. in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Less than 1 year	62.10	58.34
1 to 3 years	46.58	108.68
3 years and above	-	-

(iii) Set out below are the carrying amounts of lease liabilities and the movements during the period:

Rs. in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
As at April 1	149.84	194.86
Addition		
Finance cost accrued	10.12	14.44
Payment of lease liabilities	(58.34)	(59.46)
As at March 31	**101.62**	**149.84**
Current Lease Liabilities	56.37	48.22
Non Current Lease Liabilities	45.25	101.62

(iv) The following is the movement of cash outflow on lease liabilities during the year

Rs. in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Total cash outflow of leases	58.34	59.46

(v) Carrying amount of Right to use Assets

Rs. in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Right to use Assets	81.21	129.59

B. Details of the carrying amount of Right to use assets and movement during the year is disclosed under Note 3(B).

C. Maturity analysis of the lease liability are disclosed in Note 32(VII)(C).

D. The effective interest rate for lease liabilities is 7.30 % with maturity between 3 to 5 years.

III. Employee Benefits :

A. Defined Contribution Plans:

The Company offers its employees defined contribution plans in the form of Provident Fund (PF) and Superannuation with the government and certain state plans such as Employees' State Insurance (ESI). PF cover substantially all regular employees and the Superannuation plan covers mainly executive directors. Contributions are made to the Government's administered funds. While both the employees and the Company pay predetermined contributions into the Provident Fund and the ESI Scheme, and contributions into the Superannuation plan is made only by the Company. The contributions are normally based on a certain proportion of the employee's salary.

(a) Contributions to Provident Fund for employees at the rate of 12% p.a. of basic salary (as per regulations), are made to registered Provident Fund administered by the government.

Other Notes to Accounts (Contd.)

(b) Contributions are made to Superannuation plan at the rate of 15% p.a. of basic salary, up to a maximum limit of Rs. 1 lakh p.a. per employee. The obligation of the Company is limited to the amount contributed and it has no further contractual or constructive obligation.

(c) The expenditure recognised during the year

Rs. in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Contribution to Provident Fund	67.02	89.02
Contribution to ESIC	8.02	10.46
Contribution to Superannuation	3.00	3.85

B. Defined Benefit Plan:

In respect of Gratuity, a defined benefit plan, is governed by the Payment of Gratuity Act, 1972. Under the Gratuity Act, employees are entitled to specific benefit at the time of retirement or termination of the employment or on completion of five years or death while in employment. The level of benefit provided depends on the member's length of service and salary at the time of retirement/termination age. Provision for gratuity is based on actuarial valuation done by an independent actuary as at the year end.

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at March 31, 2025:

B.1 The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Mortality Rate during Employment	Indian Assured Life Mortality 2012-14 (Urban)	
Rate of Discounting	6.54%	7.19%
Rate of Salary escalation	6.00%	6.00%
Expected Return on Plan Asset	NA	NA
Rate of Employee Turnover	4.00%	4.00%

B.2 Expense recognised in the Statement of Profit and Loss

Rs. in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current service cost	25.75	24.77
Past service cost	-	-
Interest cost	33.61	32.04
(Gains)/ Losses on Curtailment	(13.38)	-
Expenses Recognised in Statement of Profit and Loss	**45.98**	**56.81**

Other Notes to Accounts (Contd.)

B.3 Amount Recognized in Statement of Other Comprehensive Income (OCI):

Rs. in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	3.60	9.65
Actuarial (Gains)/Losses on Obligations - Due to Experience	16.51	(11.16)
Net (Gain) / Loss for the Period Recognised in OCI	**20.11**	**(1.51)**

B.4 Net Liability/(Asset) recognised in the Balance Sheet:

Rs. in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Present value of Defined Benefit Obligation as at the end of the year	462.64	619.75
Fair value of Plan Assets at the end of the year	-	-
Difference	462.64	619.75
Net Liability/(Asset) recognised in the Balance Sheet	**462.64**	**619.75**

B.5 Movements in the present value of the defined benefit obligation :

Rs. in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Present value of Defined Benefit Obligation as at the beginning of the year	619.75	578.88
Interest cost	33.61	32.04
Current Service cost	25.75	24.77
Past Service cost	-	-
(Gains)/ Losses on Curtailment	(13.38)	-
Benefits paid direct by the Employer	(223.20)	(14.44)
Actuarial (gain)/loss on obligations due to change in Demographic Assumptions	-	-
Actuarial (gain)/loss on obligations due to change in Financial Assumptions	3.60	9.65
Actuarial (gain)/loss on obligations due to Experience	16.51	(11.15)
Present value of Defined Benefit Obligation as at the end of the year	**462.64**	**619.75**

The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is extracted from the report obtained from Actuary.

Other Notes to Accounts (Contd.)

B.6 Risks associated with defined benefit plan:

Gratuity is a defined benefit plan and Company is exposed to the following Risks:

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Asset Liability Matching (ALM) Risk: The plan faces the ALM risk as to the matching cash flow. Entity has to manage pay out based on pay as you go basis from own fund.

Mortality Risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

B.7 Curtailment Gain :

The operations of Textile Division (“Division”) of the Company was under suspension. On April 15, 2025, considering the outlook and scenario of the Textile business, the Board of Directors have decided to close down the Division, subject to approval of Government Authorities. Due to this development, which significantly reduces the future tenure of eligible members compared to March 31, 2024, we have recorded a curtailment gain for the reporting period.

B.8 Expected future benefit payments:

Maturity profile of defined benefit obligation for the next 10 years (Undiscounted amount) :

Rs. in lakhs

Year Ending 31st March	For the year ended March 31, 2025	For the year ended March 31, 2024
1st Following Year	353.60	177.65
2nd Following Year	45.04	33.01
3rd Following Year	4.08	42.42
4th Following Year	16.25	42.13
5th Following Year	3.44	40.60
Sum of Years 6 and above	99.59	713.05

B.9 Sensitivity Analysis:

Rs. in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Delta Effect of +1% Change in Rate of Discounting	(5.43)	(33.00)
Delta Effect of -1% Change in Rate of Discounting	6.10	37.38
Delta Effect of +1% Change in Rate of Salary Increase	3.84	35.87
Delta Effect of -1% Change in Rate of Salary Increase	(3.94)	(32.22)
Delta Effect of +1% Change in Rate of Employee Turnover	1.10	3.74
Delta Effect of -1% Change in Rate of Employee Turnover	(1.23)	(4.15)

The Sensitivity analysis has been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Other Notes to Accounts (Contd.)

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognized in the balance sheet.

There was no change in the method and assumptions used in preparing the sensitivity analysis as compared to prior year.

C. Compensated Absences :

The Company's employees are entitled for compensated absences which are allowed to be accumulated and encashed as per the Company's rule. The liability of compensated absences, which is non-funded, has been provided based on report of independent actuary using "Projected Unit Credit Method".

The obligation for compensated absences (other than sick leaves) (non-funded) is recognized using the projected unit credit method and accordingly the long-term paid absence has been valued. The Liability towards leave encashment for the year ended March 31, 2025 as per actuarial valuation is Rs. 66.46 lakhs (P.Y. Rs. 108.43 lakhs).

The Company has made provision for sick leave based on the expected utilisation of leaves as at the year ended March 31, 2025 of Rs. 3.36 Lakhs (P.Y.Rs. 4.59 Lakhs). The total leave provision as at the year ended March 31, 2025 stands at Rs. 69.82 lakhs (P.Y. Rs. 113.02 lakhs).

IV. Related Party Information:

A List of Related Parties with whom Transactions have taken place:

Directors and Key Management Personnel (KMP)	Mr. Abhimanyu Thackersey - Joint Managing Director Mr. Khushaal Thackersey – Joint Managing Director Mr. Bhavesh V Panjuani – Independent Director (upto 25/09/2024) Mr. Amol Vora – Independent Director Mr. Sujal A Shah – Independent Director (upto 25/09/2024) Mrs. Geeta J Palan – Independent Director Mr. Anant P Patel - Independent Director (w.e.f. 09/08/2024) Ms. Shraddha Shettigar – Chief Financial Officer Mr. Kaushik Kapasi – Company Secretary
Associates/Enterprise/Companies where control exists	The Bhor Chemicals & Plastics Private Limited
Relative of KMP	Mr. Hrishikesh Thackersey

B Transactions with Related Parties:

Rs. in lakhs

Nature of Transactions	For the year ended March 31, 2025	For the year ended March 31, 2024
Rent and Maintenance charges paid		
Khushaal Thackersey	56.03	54.00
Remuneration (Note c and d)		
Mr. Khushaal Thackersey	47.75	47.75
Mr. Abhimanyu Thackersey	47.75	47.75
Mr. Kaushik Kapasi	28.47	27.52
Mrs. Shraddha Shettigar	20.85	20.06
Sale of Goods / Services		
The Bhor Chemicals & Plastics Private Limited	0.30	436.33
Mr. Hrishikesh Thackersey	-	0.04

Other Notes to Accounts (Contd.)

Rs. in lakhs

Nature of Transactions	For the year ended March 31, 2025	For the year ended March 31, 2024
Sale of Property, Plant and Equipment		
The Bhor Chemicals & Plastics Private Limited	-	87.17
Mr. Khushaal Thackersey	3.95	-
Purchase of Goods / Services		
The Bhor Chemicals & Plastics Private Limited	-	6.51
Interest Received		
The Bhor Chemicals & Plastics Private Limited	-	11.97
Directors Sitting Fees		
Mr. Amol P. Vora	1.60	1.85
Mrs. Geeta Palan	1.50	1.55
Mr. Sujal A Shah	0.90	1.95
Mr. Bhavesh V Panjuani	0.90	1.95
Mr. Anant P Patel	1.05	-
Balances Receivable / (Payable) with Related Parties		
Amount Due to Directors & KMP		
Mr. Abhimanyu Thackersey	2.08	2.10
Mr. Khushaal Thackersey	2.08	2.10
Mr. Kaushik Kapasi	2.55	1.52
Mrs. Shraddha Shettigar	1.28	1.28
Security Deposit		
Mr. Khushaal Thackersey	13.50	13.50

Notes:

a. The above figures are exclusive of GST wherever applicable.

b. The amount outstanding are unsecured and will be settled in cash or receipt of goods or services. No guarantee have been given. No expense has been recognized in the current period or prior years for bad or doubtful debts in respect of the amounts owed by related parties.

c. The remuneration of the directors and key management personnel is determined by the remuneration committee having regard to the performance of individual and market trends.

d. Key Management Personnel (KMP) who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are provided on the basis of actuarial valuation, for the Company as a whole, hence the details in respect of long term benefits to KMP and their relatives are not disclosed. Further there is no Share-based payments to Key Management Personnel of Company.

Other Notes to Accounts (Contd.)

V. Earnings Per Share:

Rs. in lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit attributable to equity shareholders for basic & diluted EPS	(1,077.34)	126.80
Weighted average number of equity shares for basic & diluted EPS	16,64,548	16,64,548
Basic & diluted earnings per equity share of Rs. 10 each (March 31, 2024 Rs. 10 each) (in Rupees)	(64.72)	7.62

VI. Capital Management

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support growth of the Company. Capital includes, Equity Capital, Securities Premium, and other reserves and surplus, attributable to the equity shareholders of the Company. The Company determines the capital requirement based on annual plans and long term and strategic investment and capital expenditure plans. The funding requirements are met through mix of equity, operating cash flows generated and debt. The operating management, supervised by the Board of Directors of the Company regularly monitors its key gearing ratio and other financial parameters and takes corrective actions wherever necessary. The Company is not subject to any externally imposed capital requirements.

VII. Financial Risk Management

Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. Management has identified the following risk.

- Credit Risk
- Market Risk
- Liquidity Risk
- Currency Risk

Company's Audit Committee oversees how Management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

A Credit Risk

Credit risk is the risk of financial loss arising from counter party failure to repay according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Before accepting any new customer, the Company evaluates the credit worthiness of the potentional customers based on external inquiries as deemed appropriate. The Company only deals with parties which has good credit ratings / worthiness based on Company's internal assessment. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after necessary approvals for credit. The Company has not acquired any credit impaired asset. There was no modification in any financial assets.

(i) Trade Receivable

Customer credit is managed by each business division subject to the Company's established policy procedures and control related to customer credit risk management.

Other Notes to Accounts (Contd.)

Export customers are mainly against Letter of Credit. Each outstanding customer receivables are regularly monitored and if outstanding is above due date the further shipments are controlled and can only be released if there is a proper justification.

Credit risk on trade receivables and contract assets are managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with this assessment. Moreover, given the diverse nature of the Company's businesses, trade receivables and contract assets are spread over a number of customers with no significant concentration of credit risk. No single customer accounted for 10% or more of the trade receivables and contracted assets in any of the years presented.

The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets and their credit worthiness are monitored at periodical intervals. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

The Company has written off trade receivables amounting to Rs. Nil during the year (March 31, 2024 Rs. 25.98 lakhs) as there was no reasonable expectations of recovery and were outstanding for more than 720 days from becoming due.

Exposure to the Credit risks Rs. in lakhs

Particulars	**For the year ended March 31, 2025**	**For the year ended March 31, 2024**
Financial assets for which loss allowance is measured using Life time Expected Credit Losses (ECL)		
- Trade Receivable	235.56	1,193.04

For movement in allowance in doubtful trade receivables, please refer Note 11.2.

(ii) Other Financial Assets

Credit risk from balances with banks is in accordance with the Company policy. Investment of surplus funds are made only in approved Mutual Funds or bank deposits. The other financial assets are from various forum of Government authorities and are released by Government authorities on completion of relevant terms and conditions for the release of outstanding.

B Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk, primarily related to foreign exchange rate risk, interest rate risk and commodity price risk. Thus, the Company's exposure to market risk is a function of investment activities and revenue generating and operating activities in foreign currencies.

The Company has designed risk management frame work to control various risks effectively to achieve the business objectives. This includes identification of risk, its assessment, control and monitoring at timely intervals.

The sensitivity analyses in the following sections relates to the outstanding balance as at March 31, 2025 and March 31, 2024.

The sensitivity analysis have been prepared on the basis that the proportion of financial instruments in foreign currencies are all constant in place at March 31, 2025. The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2025 and March 31, 2024.

Other Notes to Accounts (Contd.)

(i) Interest Rate Risk:

The Company's investments are primarily in fixed rate interest bearing investments. Hence, the Company is not significantly exposed to interest rate risk.

(ii) Foreign Currency risk:

The Company is also exposed to foreign currency risk on certain transactions that are denominated in a currency other than the Company's functional currency; hence exposures to exchange rate fluctuations arise. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. The Company's foreign exchange risk arises from foreign currency revenues and expenses, (primarily in US Dollars and Euros). As a result, if the value of the Indian rupee appreciates relative to these foreign currencies, the Company's revenues and expenses measured in Indian rupees may decrease or increase and vice-versa. The exchange rate between the Indian rupee and these foreign currencies have changed substantially in recent periods and may continue to fluctuate substantially in the future.

Foreign Currency Sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures. The Company's exposure to foreign currency changes for all other currencies is not material.

Derivative instruments and unhedged foreign currency exposure:

(a) Derivative contracts outstanding as at March 31, 2025

Rs. in lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Forward Contracts to sell USD	Nil	Nil

(b) Particulars of unhedged foreign currency exposures and the sensitivity analysis to the loss for a 5% change in exchange rate is given below:

Particulars	For the year ended March 31, 2025			For the year ended March 31, 2024		
	Amount	Effect on loss before tax		Amount	Effect on profit before tax	
		5%	5%		5%	5%
Import of Goods and Services		**Increase**	**Decrease**		**Increase**	**Decrease**
Raw Material	216.95	(10.85)	10.85	843.55	(42.18)	42.18
Stores, Spares and Components	-	-	-	13.67	(0.68)	0.68
Commission on exports to agent	5.10	(0.26)	0.26	11.49	(0.57)	0.57
Membership Fees	-	-	-	1.25	(0.06)	0.06
Travelling Expenses	3.94	(0.20)	0.20	3.53	(0.18)	0.18
Export of Goods						
FOB Value of Export Sales	274.68	13.73	(13.73)	550.63	27.53	(27.53)

Other Notes to Accounts (Contd.)

(c) Outstanding foreign currency exposures :

Amount in lakhs

Particulars	As at March 31, 2025		As at March 31, 2024	
	Foreign Currency	Indian Currency	Foreign Currency	Indian Currency
Trade Receivable				
USD	-	-	-	-
Trade Payable				
USD	-	-	0.45	37.12
EURO	0.33	30.85	0.58	52.08
Advance from Customers				
USD	0.07	6.12	0.16	13.26
Advances to Suppliers				
USD	-	-	-	-
Balances with Bank				
USD	-	-	-	-

(iii) Commodity rate risk

Exposure to market risk with respect to commodity prices primarily arises from the Company's purchases and sales mainly of Fabric, Yarns, steel and other textile related products including the raw material components for such Fabrics, Yarns, etc, i.e Cotton. These are commodity products, whose prices fluctuate significantly over short periods of time. The prices of the Company's raw materials generally fluctuate in line with commodity cycles, although the prices of raw materials used in the Company's business are generally more volatile. Cost of raw materials forms the largest portion of the Company's cost. Commodity price risk exposure is evaluated and managed through operating procedures and sourcing policies wherever possible based on market condition.

Inventory sensitivity analysis (raw materials, work-in-progress and finished goods)

A reasonably possible change of 10 % in prices of inventory at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Particulars	For the year ended March 31, 2025			For the year ended March 31, 2024		
	Amount	Effect on loss before tax		Amount	Effect on profit before tax	
		10% Increase	10% Decrease		10% Increase	10% Decrease
Inventories (raw materials, work-in-progress and finished goods)	308.10	30.81	(30.81)	1,549.55	154.96	(154.96)

(iv) Mutual Fund Price Risk

The Company is exposed to mutual fund price risks arising from mutual fund investments. Mutual fund investments are held for strategic rather than trading purposes. The Company does not actively trade these investments.

Other Notes to Accounts (Contd.)

C Liquidity Risk

(i) Liquidity risk management

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including bilateral loans, debt, and overdraft from banks at an optimised cost. Working capital requirements are adequately addressed by internally generated funds. Trade receivables are kept within manageable levels. Further, the Company has an undrawn balance of Rs. 245.93 Lakhs against the overdraft facility sanctioned by the bank.

(ii) Maturities of financial liabilities

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Rs. in lakhs

As At March 31, 2025	On Demand	Less than 1 Year	1 - 3 Years	3 - 5 Years	5 years and Above	TOTAL
Non Derivative financial instruments						
Non-Current Lease Liabilities	-	-	45.25	-	-	**45.25**
Other Non-current financial liabilities	-	-	-	-	-	**-**
Trade payables	-	312.30	-	-	-	**312.30**
Current Lease Liabiliities	-	56.37	-	-	-	**56.37**
Other Financial Liabilities	-	7.15	-	-	-	**7.15**

Rs. in lakhs

As At March 31, 2024	On Demand	Less than 1 Year	1 - 3 Years	3 - 5 Years	5 years and Above	TOTAL
Non Derivative financial instruments						
Non-Current Lease Liabilities	-	-	101.62	-	-	**101.62**
Other Non-current financial liabilities	-	-	-	-	-	**-**
Trade payables	-	873.09	-	-	-	**873.09**
Current Lease Liabiliities	-	48.22	-	-	-	**48.22**
Other Financial Liabilities	-	6.78	-	-	-	**6.78**

VIII. Fair Value Measurement

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability, and equity instrument are disclosed in note 2.8 of the Ind AS financial statement.

Other Notes to Accounts (Contd.)

(a) Financial assets and liabilities

The carrying value of financial instruments by categories as at March 31, 2025 are as follows:

Rs. in lakhs

Particulars	Note No	Fair Value through Profit / Loss	Fair Value Through OCI	Amortized Cost	Total carrying value
Financial Assets					
Non Current					
Investment	5	1,734.58	-	-	**1,734.58**
Other Financial Assets	6	-	-	117.49	**117.49**
Current					
Investment	10	217.53	-	-	**217.53**
Trade Receivable	11	-	-	231.59	**231.59**
Cash and cash equivalents	12	-	-	171.05	**171.05**
Other bank balances	12	-	-	1,115.78	**1,115.78**
Other Financial Assets	13	-	-	164.28	**164.28**
Total		**1,952.11**	**-**	**1,800.19**	**3,752.30**

Rs. in lakhs

Particulars	Note No	Fair Value through Profit / Loss	Fair Value Through OCI	Amortized Cost	Total carrying value
Financial Liabilities					
Non Current					
Lease Liabiliies	17	-	-	45.25	**45.25**
Current					
Lease Liabiliies	19	-	-	56.37	**56.37**
Trade payables	20	-	-	312.30	**312.30**
Other Financial liabilities	21	-	-	7.15	**7.15**
Total		**-**	**-**	**421.07**	**421.07**

Other Notes to Accounts (Contd.)

The carrying value of financial instruments by categories as at March 31, 2024 are as follows:

Rs. in lakhs

Particulars	Note No	Fair Value through Profit / Loss	Fair Value Through OCI	Amortized Cost	Total carrying value
Financial Assets					
Non Current					
Investment	5	1,529.06	-	-	**1,529.06**
Other Financial Assets	6	-	-	303.11	**303.11**
Current					
Investment	10	-	-	-	**-**
Trade Receivable	11	-	-	1,173.75	**1,173.75**
Cash and cash equivalents	12	-	-	222.78	**222.78**
Other bank balances	12	-	-	811.55	**811.55**
Other Financial Assets	13	-	-	151.69	**151.69**
Total		**1,529.06**	**-**	**2,662.88**	**4,191.94**

Rs. in lakhs

Particulars	Note No	Fair Value through Profit / Loss	Fair Value Through OCI	Amortized Cost	Total carrying value
Financial Liabilities					
Non Current					
Lease Liabiliies	17	-	-	101.62	**101.62**
Current					
Lease Liabiliies	20	-	-	48.22	**48.22**
Trade payables	21	-	-	873.09	**873.09**
Other Financial liabilities	22	-	-	6.78	**6.78**
Total		**-**	**-**	**1,029.71**	**1,029.71**

Carrying amounts of cash and cash equivalents, trade receivables and trade payable as at March 31, 2025 and March 31, 2024 approximate the fair value because of their short term nature. Difference between the carrying amount and fair values of other financial liabilities subsequently measured at amortized cost is not significant in each of the year's presented.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

(i) Receivables are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

Other Notes to Accounts (Contd.)

(ii) The fair value of financial liabilities, security deposit, as well as other financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Fair Value Hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consist of the following three levels:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs are other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. prices) or indirectly (i.e. derived from prices).

Level 3: Inputs are based non observable market data. Fair value is determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following table summarizes financial assets and liabilities measured at fair value on a recurring basis and financial assets that are not measured on fair value on recurring basis (but fair value disclosures are required).

Rs. in lakhs

As at March 31, 2025	Level 1	Level 2	Level 3	Total
Financial Assets :				
Investment measured at Fair Value through Profit / Loss				
Investment in Mutual Fund	1,952.11	-	-	**1,952.11**
Total	**1,952.11**	**-**	**-**	**1,952.11**

Rs. in lakhs

As at March 31, 2024	Level 1	Level 2	Level 3	Total
Financial Assets :				
Investment measured at Fair Value through Profit / Loss				
Investment in Mutual Fund	1,529.06	-	-	**1,529.06**
Total	**1,529.06**	**-**	**-**	**1,529.06**

IX. Estimated Amount of Contracts Remaining to be Executed:

Rs. in lakhs

Particulars	As at 31.03.2025	As at 31.03.2024
A Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	0.62	10.41

Other Notes to Accounts (Contd.)

X. Events after the reporting period

The operations of Textile Division ("Division") of the Company was under suspension. On April 15, 2025, considering the outlook and scenario of the Textile business, the Board of Directors have decided to close down the Division, subject to approval of Government Authorities.

As on March 31, 2025, Textile Division has the liabilities amounting to Rs. 931.68 lakhs and carrying value of the assets of Rs. 1114.67 lakhs. There is a contingent liability of Rs. 253.77 lakhs in respect of the Division. As it is non adjusting event, it has not been considered as Discontinued Operations as on March 31, 2025. An estimated adverse impact on assets and liabilities (including workers' liabilities) of this Division has been recognised in the Financial Statements for the year ended March 31, 2025. The Company has other operations which is continued to be pursued by the management.

XI. Contingent liabilities (to the extent not provided for)

Rs. in lakhs

Sr. No.	Particulars	As at March 31, 2024	Addition	Settled / Deletion	As at March 31, 2025
	Claims against the Company not acknowledged as Debts				
A	Income Tax	12.11	0.04	11.65	0.50
		(0.99)	(11.78)	(0.66)	(12.11)
B	Demand for payment of Electricity Duty by Government of Maharashtra.	228.20	-	-	228.20
		(228.20)	-	-	(228.20)
C	Dispute arising out of Property related matters (Net of Provision and excluding interest) (Refer Note 32 (XII))	1,533.41	-	-	1,533.41
		(1,533.41)	-	-	(1,533.41)
D	Provident Fund	25.57	-	-	25.57
		-	(25.57)	-	(25.57)
E	Others	30.04	1.44	2.52	28.96
		(21.90)	(8.14)	-	(30.04)
F	Total	**1,829.33**	**1.48**	**14.17**	**1,816.64**
		(1,784.50)	**(45.49)**	**(0.66)**	**(1,829.33)**

Figures in bracket denotes previous year.

Note:

The amounts shown above represents the best possible estimates arrived at on the basis of available information. The uncertainties are dependent on the outcome of the different legal processes. The timing of future cash flows will be determinable only on receipt of judgments / decisions pending with various forums/authorities. The Company does not expect any reimbursements against the above.

XII In respect of a joint property development transaction of earlier year, which was subject matter of arbitration award, an appeal is filed before the division bench of Hon'ble Bombay High Court by both the parties against decision of single bench of Hon'ble Bombay High Court and the same is pending as on date. The Company has already made provision of Rs.63.98 lakhs in terms of arbitration award in the FY 2016-17 against the claim of Rs.1597.39 lakhs plus interest. In view of management no further liability is expected.

Other Notes to Accounts (Contd.)

XIII Provisions :

A. Disputed Matters :

Provision for disputed matters in respect of known contractual risks, litigation cases, duties and other levies / claims, the actual outflow of which will depend on the outcome of the respective proceedings.

The movements in the above account are summarized below:-

Rs. in lakhs

Sr. No.	Particulars	As at March 31, 2024	Addition During the Year	Payments During |the Year	Deletion / Written back During the Year	As at March 31, 2025
1	Provision for Employee Dues	178.27	18.00	13.00	12.27	171.00
2	Provision for Expenses	140.08	6.00	-	-	146.08
TOTAL		**318.35**	**24.00**	**13.00**	**12.27**	**317.08**

B. Anticipated Return of Goods subsequent to Sale:

Provision has been made towards probable return of goods from customers, as per Indian Accounting Standard (Ind AS) 37 estimated by management based on past trends.

The movements in the above account are summarized below:-

Rs. in lakhs

Sr. No.	Particulars	As at March 31, 2024	Addition During the Year	Deletion / Written back the Year	As at March 31, 2025
1	Provision for Right of Return	18.02	-	12.63	5.39
TOTAL		**18.02**	**-**	**12.63**	**5.39**

XIV Details of Dues to Micro, Small and Medium Enterprises as per MSMED Act, 2016:

Rs. in lakhs

Sr. No.	Particulars	As at March 31, 2025	As at March 31, 2024
A	The Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;		
	i. Principal amount	101.98	279.74
	ii. Interest due	52.05	51.53
B	The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
C	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
D	The amount of interest accrued and remaining unpaid at the end of accounting year	52.05	51.53
E	The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006	52.05	51.53

Note: Dues to Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Company and relied upon by the Auditors.

Other Notes to Accounts (Contd.)

XV Interest Subsidy:

(a) Recognition of interest subsidy: Company has been recognising interest subsidy in terms of its eligibility under the New Textile Policy 2012 as Other Income from May 2014 to September 2019.

(b) Recovery of subsidy from Government: The aggregate subsidy of Rs. 127.73 lakhs recognized by the Company for the period from October 2016 to September 30, 2019, has remained outstanding as on March 31, 2025. The technical issues faced on government portal has been resolved and the same are pending for processing by the Government authorities.

Accordingly, the subsidy of Rs. 127.73 lakhs shown under the head Current Assets - Other Financial Assets, has been considered as good and recoverable in nature.

XVI Income Tax:

(a) The Company has decided to opt for concessional income tax rate of 22 percent as per section 115 BAA of the Income Tax Act, 1961 effective from Assessment Year 2021 – 22 (Financial Year 2020-21).

(b) **Nature of Deferred Tax Assets / (Liabilities)**

Rs. in lakhs

Particulars	As at March 31, 2024	Movement during the Year	As at March 31, 2025
Deferred Tax Assets			
Depreciation	27.03	(27.03)	-
Disallowance u/s. 43B	46.82	(10.02)	36.80
Gratuity	161.81	(45.37)	116.44
Provision for Expected Credit Losses	11.50	9.30	20.80
Unabsorbed losses and carry forward of losses	1,352.54	(188.72)	1,163.82
Ind AS 116 Adjustments	5.10	0.04	5.14
Others	57.89	(7.51)	50.38
Deferred Tax Liability			
Fair value adjustemnts	(139.99)	(52.53)	(192.52)
Depreciation	-	(36.22)	(36.22)
Net Deferred Tax Assets	**1,522.70**	**(358.06)**	**1,164.64**

Company has not created any Deferred Tax Assets on account uncertainty of future taxable profit.

Other Notes to Accounts (Contd.)

XVII Asset Held For Sale:

Rs. in lakhs

Particulars	As at March 31, 2025			As at March 31, 2024		
	Plant & Equipments	Land	Total	Plant & Equipments	Land	Total
Net Block	-	0.71	0.71	-	-	-
Add : Assets transferred from Property, Plant and Equipment	-	-	-	-	0.71	0.71
Less : Impairment	-	-	-	-	-	-
Less : Assets sold	-	(0.71)	(0.71)	-	-	-
Less : Assets transferred to Property, Plant and Equipment	-	-	-	-	-	-
Assets held for Sale	-	-	-	-	0.71	0.71

XVIII Additional Regulatory Information

i. **Loan and advances to specified persons:**

The Company has not granted any loans or advances in the nature of loans to any promoters, directors, KMPs, and the related parties.

ii. **Details of benami property held:**

The Company does not have any Benami property, where any proceedings have been initiated on or are pending against the Company for holding any Benami Property.

iii. **Borrowings secured against current assets:**

The Company is not required to submit any quarterly returns or statements of current assets. (Refer Note 12.3).

iv. **Wilful defaulter:**

The Company has not been declared as wilful defaulter by any bank or financial institutions or other lenders.

v. **Relationship with struck off companies:**

The Company has no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended March 31, 2025 and March 31, 2024.

vi. **Registration of charges or satisfaction of charges with the Registrar of Companies (ROC):**

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period. (Refer Note 12.3).

vii. **Compliance with number of layer of companies:**

The Company does not have any subsidiaries and hence the disclosure clause is not applicable.

viii. **Ratio:**

For Ratio as required is given in Annexure A attached to the Financial Statement.

ix. **Compliance with approved scheme of arrangements:**

The Company has not entered into scheme of arrangements in terms of section 230 to section 237 of the Companie Act, 2013 which has an accounting impact during the year ended March 31, 2025 and previous year ended March 31, 2024.

Other Notes to Accounts (Contd.)

x. **Utilisation of borrowed funds and share premium:**

(A) The Company has not advanced or loaned invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities with the understanding that the Intermediary shall:

(a) Directly or indirectly lend or invest in other persons or entities identified in any manners whatsoever by or on behalf of the Company (ultimate beneficiaries) or

(b) Provide any guarantee, security, or the like to or on behalf of the ultimate beneficiaries.

(B) The Company has not received any fund from any persons or entities, including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the company shall :

(a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or

(b) Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

xi. **Utilisation of borrowings availed from banks and financial institutions:**

The Company does not have any borrowings hence the disclosure clause is not applicable.

xii. **Corporate Social Responsibiliy :**

The Company does not meet any of the criteria specified u/s 135 of the Act, hence the provisions are not applicable.

xiii. **Undisclosed Income:**

There is no income surrendered or disclosed as income during the year ended March 31, 2025 and previous year ended March 31, 2024 in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of accounts.

ix. **Details of crypto currency or virtual currency:**

The Company has not traded or invested in crypto currency or virtual currency during the year ended March 31, 2025 and March 31, 2024.

XIX The Company's financial statements are authorized for issue in accordance with a resolution of the Board of Directors on May 14, 2025 in accordance with the provisions of the Companies Act, 2013 and are subject to the approval of the shareholders at the ensuing Annual General Meeting.

XX The figures in the financial statements are rounded off to the nearest lakhs and indicated in lakhs of Rupees.

Signatures to Notes "1" to "32"

As per our report of even date attached

For and on behalf of the Board of Directors

For S H R & Co.
Chartered Accountants.
Firm's Registration No.: 120491W

Khushaal C. Thackersey
Joint Managing Director
DIN- 02416251

Abhimanyu J. Thackersey
Joint Managing Director
DIN- 00349682

Deep N Shroff
Partner
Membership No. : 122592
Place : Mumbai
Date : May 14, 2025

Shraddha P. Shettigar
Chief Financial Officer

Kaushik N. Kapasi
Company Secretary

Place : Mumbai
Date : May 14, 2025

Notes to the Standalone Financial Statements for the year ended 31st March 2025

Annexure A					
Ratio	**Numerator**	**Denominator**	**As at March 31, 2025**	**As at March 31, 2024**	**% Variance**
Current Ratio (In Times)	Total Current Assets	Total Current Liabilities	2.06	2.64	(22.02)
Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total equity	0.03	0.03	(13.17)
Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes (before Exceptional and Discontinued Operation) + Depreciation + Interest	Debt service = Interest and lease payments + Principal repayments	(12.41)	6.03	(305.63)
Reason for Variance: The Company has Loss during the current financial year i.e. 2024 - 2025, hence the change in ratio.					
Return on equity ratio (in %)	Net Profit after taxes + Income from Discontinued operation - Preference dividend (if any)	Average total equity	(24.13)	2.56	(1,041.86)
Reason for Variance: The Company has Loss during the current financial year i.e. 2024 - 2025, hence the change in ratio.					
Inventory Turnover ratio (number of Days)	Average Inventory	Cost of goods sold	155.61	101.29	53.62
Reason for Variance: Due to decrease in closing inventory of Textile Division on account of suspension of Textile Division					
Trade receivables turnover ratio (Number of Days)	Average trade receivables	Sales and Services	77.70	50.83	52.86
Reason for Variance: Due to decrease in closing trade receivables of Textile Division on account of suspension of Textile Division					
Trade payables turnover ratio (Number of Days)	Average trade payables	Purchse of Raw Material + Purchase of stock in trade + Other expenses	110.30	48.31	128.31
Reason for Variance: Due to decrease in closing trade payables of Textile Division on account of suspension of Textile Division					
Net capital turnover ratio (in times)	Sales and Services	Average working capital (i.e. Total current assets less Total current liabilities)	1.78	3.38	(47.32)
Reason for Variance: Due to decrease in sales of Textile Division on account of suspension of Textile Division					
Net profit ratio (in %)	Net Profit after taxes (before Exceptional and Discontinued Operation)	Revenue from operations	(32.50)	1.44	(2,362.04)
Reason for Variance: The Company has Loss during the current financial year i.e. 2024 - 2025, hence the change in ratio.					
Return on capital employed (in %)	Net Profit before taxes (before Exceptional and Discontinued Operation) + Finance Cost	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	(26.23)	3.27	(901.05)
Reason for Variance: The Company has Loss during the current financial year i.e. 2024 - 2025, hence the change in ratio.					
Return on investment (in %) (Mutual Funds)	Income generated from invested funds	Average invested funds			
		On Mutual Fund	12.42	33.76	(63.21)
		On FDR	7.08	6.91	2.46
Reason for Variance: The return on investment on Mutual Funds has decreased in the current financial year i.e. 2024 - 2025 mainly due to decrease in Fair Value of investments.					

If undelivered, please return to :

HINDOOSTAN MILLS LIMITED,

Shivsagar Estate "D" Block, 8th floor,
Dr. Annie Besant Road, Worli,
Mumbai - 400 018