

Date: September 05, 2025

To,
The Secretary
BSE Limited
Department of Corporate Services
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai — 400001

RUDRAECO | 514010 | INE723D01021

SUB.: SUBMISSION OF ANNUAL REPORT FOR THE FINANCIAL YEAR 2024-25 OF “RUDRA ECOVATION LIMITED”

Dear Sir / Madam,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 we are submitting herewith the Annual Report of the Company for the Financial Year ended 31st March, 2025 together with Notice convening of 44th Annual General Meeting (AGM) of the Company scheduled to be held on Tuesday, 30th September, 2025 at 01:00 P.M through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

In compliance with relevant circulars issued by Ministry of Corporate Affairs and the Securities and Exchange Board of India, the Notice convening the 44th AGM and the Annual Report of the Company for the Financial year 2024-25 is being sent through electronic mode to all the members of the Company whose email addresses are registered with the Company/Company's Registrar and Transfer Agent i.e. Beetal Financial & Computer Services Pvt. Ltd/Depository Participant(s).

The Annual Report for the Financial Year 2024-25 including the Notice convening the 44th AGM is also available on the website of the Company at <https://rudraecovation.com/investor-relations/annual-reports/>

You are requested to kindly take note of the above information on your records.

Thanking You,

Yours faithfully
For Rudra Ecovation Limited
(Formerly Known as Himachal Fibres Limited)

Nancy Singla
Company Secretary cum Compliance officer

ANNUAL REPORT

2024-25

Reduced Water
Consumption

Recycled
Plastic Bottles

Skin
Friendly

ECOVATING FOR TOMORROW

Durable

Stretchable

Sustainable

Eco-friendly

DETAILS ON THE ONGOING CORPORATE RESTRUCTURING



- Rudra Ecovation Ltd (formerly Himachal Fibres Ltd) has proposed a Scheme of Amalgamation with Shiva Textfabs Ltd, under Sections 230–232 of the Companies Act, 2013. This involves merging Rudra (Transferor Company) with Shiva Textfabs (Transferee Company), along with their shareholders and creditors.
- BSE has issued an observation letter dated 25th August 2025 with “no adverse observations”, meaning the stock exchange has not found any compliance issues under SEBI’s Listing Regulations that would block the scheme. This allows Rudra to move forward in seeking further approvals.
- With this “no adverse observation” from BSE, Rudra Ecovation can now file the scheme with the National Company Law Tribunal (NCLT) and seek statutory, regulatory, shareholder, and creditor approvals.

“Accordingly, this annual report presents additional information covering products and services of both Shiva Textfabs and Rudra Ecovation”



ECOVATING FOR TOMORROW

At Rudra Ecovation we exemplifies the spirit of “Ecovating Tomorrow” by transformation of plastic waste into high-value, eco-conscious products—embodying sustainable innovation and a circular economy. As one of India’s foremost integrated plastic recycling firms, we operate a sprawling 100-acre facility in Ludhiana, capable of recycling an astounding 8.8 million PET bottles per day, effectively diverting massive amounts of plastic from landfills and drastically reducing environmental impact .

Central to our offerings is Anaura, a premium line of upcycled fabrics crafted from recycled PET. These fabrics span applications from home furnishings and athleisure to fashion-forward textiles—demonstrating how aesthetic appeal can coexist with sustainability.

Rudra’s product suite also includes rPET flakes, fibres, yarns, and acoustic panels, establishing your company as a one-stop innovator in sustainable textile production.

Rudra’s commitment to environmental responsibility is echoed in its global certifications —ISO 9001, GRS, and OEKO-TEX—assuring quality, safety, and sustainability at every production stage. By integrating advanced technology like dope-dyeing, Rudra minimizes water usage and chemical waste, underscoring its leadership in eco-efficient manufacturing.





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Essential Highlights



One of the largest Waste plastic Recycler in INDIA



Recycling 8.8 Million Plastic bottles each day



Wide range of Products with focus of innovative sustainable products



1.4 Lac Mt of Co2 emission saved Annually



26 Years of Experience



State of the art Fully automated facility implementing best practices



Only Integrated Waste Plastic Recycler In India



Skilled Team Focus on Innovation and R&D



ESG WAY OF WORKING
Sustainable manufacturing
+ Sustainable Sourcing



CORPORATE INFORMATION

OUR BOARD OF DIRECTORS

Mr. Gian Chand Thakur
Whole Time Director

Mr. Akhil Malhotra
Non- Executive Director
(Chairman)

Mr. Vinod Kumar Goyal
Executive Director cum CEO
(Appointed w.e.f. 22.07.2024
and resigned on 30.04.2025)

Mr. Bhim Sain Goyal
Independent Director

Mr. Surjit Singh
Independent Director
(Resigned w.e.f. 13.08.2025)

Ms. Kajal Rai
Independent Director
(Appointed w.e.f. 02.09.2024)

Mr. Akhilesh Kumar Tiwari
Executive Director cum CEO
(appointed w.e.f. 09.05.2025)

Mr. Manoj Kumar
Non Executive
Non Independent Director
(Resigned w.e.f. 07.10.2024)

Ms. Malkeet Kaur
Independent Director
(Resigned w.e.f. 07.10.2024)

Mr. Dharam Veer Singh
Independent Director
(Appointed w.e.f. 13.08.2025)

... continue



Chief Executive Officer

Mr. Vinod Kumar Goyal (Resigned on 30.04.2025)

Mr. Akhilesh Kumar Tiwari (Appointed on 09.05.2025)

Chief Financial Officer

Mr. Sebastian Joseph (Resigned w.e.f. 01.03.2025)

Mr. Ravi Passi (Appointed w.e.f. 25.03.2025)

Company Secretary cum Compliance officer

Ms.Nancy Singla

Unit Heads

Ishani Bansal-Director Marketing Officer

Statutory Auditors

M/S Manjul Mittal & Associates Chartered Accountant 32, Green Enclave, Near Ferozepur Road, Octroi Post, Barewal, Ludhiana-141001

Secretarial Auditors

Bhambri & Associates Company Secretary in practice SCO-9, 2nd Floor, Jandu Tower, Miller Ganj, Ludhiana-141003

Bankers

State Bank of India HDFC Bank Indusind Bank

Registrar & Share Transfer Agent

Beetal Financial& Computer Services (P) Ltd. Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukh Dass Mandir, New Delhi-110062, beetalrta@gmail.com



REGISTERED OFFICE / WORKS

Plot No. 43-44, Industrial Area, Barotiwala- 174103 (Himachal Pradesh)



CORPORATE OFFICE

4th Floor, Woodstock, Tower, B-35/958, Adarsh Nagar, Ferozepur Road, Opposite Waves Mall, Ludhiana, Punjab, India- 141012



CHAIRMAN'S MESSAGE TO THE SHARE HOLDERS

It is with great pride and appreciation that I present to you the Director's Report for the financial year ended March 31, 2025. This year has been a defining one for our company as we continued to strengthen our position in the textile manufacturing sector, with a focused commitment to sustainability and innovation.

Our core business — the production of textile yarn, fiber, and finished fabric from recycled materials — stands at the intersection of environmental responsibility and industrial excellence. In a world increasingly moving toward circular economies and sustainable sourcing, our vision has never been more relevant.

Despite the ongoing challenges faced across the global textile supply chain — including fluctuations in raw material prices, shifting regulatory landscapes, and evolving customer demands — our company has demonstrated resilience. Through process optimization, technological upgrades, and a deepened focus on quality, we not only maintained stability but also created a solid foundation for future growth.

Sustainability is not just a goal for us — it is at the heart of what we do. This year, we successfully expanded our recycling capabilities and enhanced our product offerings, aligning with global standards and client expectations for eco-friendly textiles. Our efforts have also translated into improved operational efficiency and reduced environmental impact.

Our recent participation in major industry events, such as held in Bangkok, Thailand, GCPRS -2024-International Exhibition, Bharat TEX, Participation in Plastic Recycling Show Middle East & Africa held in Dubai, has been met with positive feedback, reinforcing our position as an industry leader.

As we look ahead, we remain committed to innovation, responsible manufacturing, and long-term value creation. I would like to express my sincere gratitude to our Board of Directors for their continued leadership, our employees for their dedication, and you — our valued shareholders — for your unwavering support and trust.

“

***Together, we are weaving a better future —
one that is more sustainable, responsible, and resilient.***

”

*Warm regards,
Akhil Malhotra
Chairman
Rudra Ecovation Limited*



A VISION FOR SUSTAINABLE FASHION

At Rudra Ecovation Limited, we're thrilled to champion Anaura, our flagship sustainable fashion brand, embodying our commitment to the theme "Ecovating Tomorrow: Sustainable Innovation for a Circular Future". As pioneers in India's circular economy, we created Anaura to transform heaps of post-consumer plastic waste and textile scraps into stylish, eco-friendly apparel and accessories, redefining fashion with heart. We're tackling India's massive textile waste challenge while meeting the surging demand for green products.

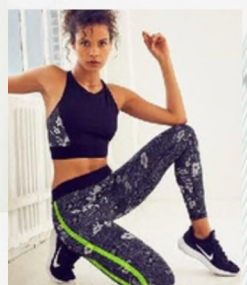
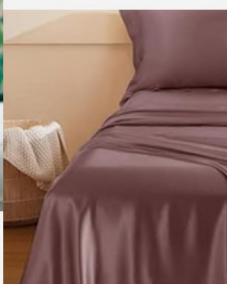
With Anaura, we turn discarded plastic bottles and fabric scraps into chic garments using cutting-edge recycling tech. Every Anaura piece, from comfy athleisure to trendy lifestyle wear, keeps loads of waste out of landfills, making a meaningful dent in emissions. In FY 2024-25, we transformed tons of waste through Anaura, creating heaps of products sold nationwide, adding a hefty boost to our revenue. By teaming up with numerous retailers and e-commerce platforms, plus landing exciting B2B deals for corporate gifting, we've positioned Anaura as a standout in India's sustainable fashion scene, poised for vibrant growth.

Our closed-loop approach, backed by the Global Recycled Standard (GRS), ensures crystal-clear transparency and traceability. We tap into our sprawling pan-India waste collection network for a steady stream of raw materials, while smart AI-driven design tweaks keep our products fresh and appealing. Our lively marketing, from buzzing social media campaigns to partnerships with eco-savvy influencers, has sparked a huge wave of customer excitement.

Looking ahead, we're eager to take Anaura global, eyeing vibrant markets, and branching out into cozy home textiles, all while aligning with Sustainable Development Goal 12 (Responsible Consumption). With Anaura, we're not just crafting a product—we're shaping a brighter, greener future, proving that profitability and planet-friendly practices can go hand in hand.



Anaura Applications



Anaura | FASHION

Anaura | HOME FURNISHINGS

Anaura | ATHELISURE

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management discussion and Analysis Report is a reflection of the current state of business of the company. It also deals with opportunities and challenges faced by Company and future outlook.

Global economic overview

In 2024, global GDP grew by approximately **3.3%**, marginally above the **3.1%** recorded in 2023. This expansion was primarily driven by resilient economic activity in the **United States**, where real **GDP** rose by **2.8%**. In contrast, the **Eurozone** recorded modest growth of **0.8%**, constrained by weak manufacturing performance and elevated energy costs.

China's economy expanded by 4.8%, but the momentum was weighed down by a prolonged property-sector downturn and subdued domestic demand. In India, growth remained strong, backed by domestic consumption and public infrastructure investments, maintaining its position as one of the fastest-growing major economies.

Manufacturing activity globally remained near stagnation throughout 2024, with the Global Manufacturing PMI hovering around the 50-mark, indicating a balance between expansion and contraction. While intermittent rebounds suggested that broader economic activity remained positive, factory output came under pressure due to weak new orders and lingering supply chain challenges.

Global inflation averaged 5.9% in 2024, with food and energy prices beginning to moderate. The World Bank's commodity price index declined by approximately 3% in Q1 FY 2024, led by a sharp drop in energy prices—particularly natural gas and crude oil. Metal and agricultural prices remained broadly stable, with cotton prices falling nearly 9%, from 95 cents per pound in 2023 to 86.6 cents in 2024. This offered relief to textile manufacturers by lowering raw material costs and supporting downstream production.

Outlook

The IMF projects global GDP growth to decelerate to 2.8% in 2025, before witnessing a modest recovery to around 3.0% in 2026. Underlying headwinds stemming from elevated interest rates in advanced economies, renewed trade tensions due to rising tariffs and lower investment in many regions are contributing to this slowdown. As supply-side pressures abate and central banks gradually normalise monetary conditions, global headline inflation is expected to ease further from 5.9% in 2024 to 4.5% in 2025 and 3.5% in 2026. Growth in the United States is forecast to slow to 1.8% in 2025, as higher interest rates are likely to impact consumer spending and investment, while the Eurozone is expected to expand by about 1.2% on the back of fiscal support and an anticipated pickup in industrial production. In China, the expected growth rate is 4% in 2025, primarily due to structural reforms and a weak real estate sector.

Global manufacturing PMI is likely to remain near the 50 mark in early 2025, reflecting continued softening in new orders and cautious inventory restocking, even as services activity outpaces goods. Commodity prices are expected to stay relatively subdued as cotton prices, which fell roughly 9% in 2024 to 86.6 cents per pound, are projected to stabilise and possibly rise. USDA forecasts indicate tighter global ending stocks for 2025 and 26, which could lift the A-Index to around 82 cents per pound





World Economic Outlook Growth Projections

(Real GDP, Annual Percent Change)	Projections		
	2024	2025	2026
World Output	3.3	2.8	3
Advanced Economies	1.8	1.4	1.5
United States	2.8	1.8	1.7
Euro Area	0.9	0.8	1.2
Germany	-0.2	0	0.9
France	1.1	0.6	1
Italy	0.7	0.4	0.8
Spain	3.2	2.5	1.8
Japan	0.1	0.6	0.6
United Kingdom	1.1	1.1	1.4
Canada	1.5	1.4	1.6
Other Advanced Economies	2.2	1.8	2
Emerging Market and	4.3	3.7	3.9
Emerging and Developing Asia	5.3	4.5	4.6
China	5	4	4
India	6.5	6.2	6.3
Emerging and Developing	3.4	2.1	2.1
Russia	4.1	1.5	0.9

Source: IMF World Economic Outlook, April 2025



Indian Economic Overview

India's economy remained remarkably resilient in the face of global disruptions. Strong domestic consumption, higher government spending on infrastructure and an accommodative monetary policy powered this growth. Retail inflation eased to 4.6% in FY 2024-25, the lowest since FY 2018-19. This led the Reserve Bank of India (RBI) to implement its first rate cut in five years to 6%, thereby supporting continued growth.

The financial services sector remained stable, supported by well-capitalized banks and a solid regulatory framework. Government initiatives, such as 'Make in India' spurred domestic manufacturing growth, while long-term prospects in manufacturing and technology attracted strong foreign investment. The expansion of India's digital economy, including e-commerce and digital payments, further boosted economic activity.

Imported commodity prices in India eased in FY 2024-25, with the World Bank's Commodity Markets Outlook projecting a 5.1% decline in 2025 driven largely by falling crude oil and metals prices, which kept domestic inflationary pressures anchored.

Cotton prices in India averaged around INR 7,800 per quintal in FY 2024-25, supported by lower production and an INR 589 MSP increase in May 2025 that set prices at INR 7,710–8,110 per quintal.

India's manufacturing sector grew at 4.8% in FY 2024-25, up from 4.7% in FY 2023-24. This contributed to 7.4% GDP growth in the fourth quarter of FY 2024-25. The government increased budget allocations to support manufacturing, with FDI in the sector reaching USD 184 Billion—a 90.5% rise over the past decade—fueled by production-linked incentive schemes. Over the past six financial years, total FDI inflows amounted to USD 464.54 Billion.¹⁴ With robust physical and digital infrastructure, India is now well-positioned to expand the share of the manufacturing sector in the economy and strengthen its role in global supply chains.



Outlook

The prospects for the Indian economy remain promising. A growing population, the government's continued thrust on infrastructure and a decade of digital transformation position India's GDP for accelerated growth in the coming years. Despite global tariff pressures and geopolitical tensions, the RBI projects a strong GDP growth rate of 6.5% for FY 2025-26. Moreover, retail inflation is expected to hover around 4.0% in FY 2025-26, providing scope for further monetary accommodation if needed.

India has strong potential to grow its presence in global markets, supported by economic growth, long term employment prospects and skill development opportunities for millions. To tap into this potential, the Government of India has announced the National Manufacturing Mission in the Union Budget 2025-26, which aims to boost Make in India through supportive policies, ease of doing business, MSME growth, a future-ready workforce and clean-tech manufacturing. In Budget 2025-26, PLI allocations were further enhanced for key sectors, with electronics and IT hardware rising from INR 5,777 Crore to INR 9,000 Crore; automobiles and auto components from INR 346.87 Crore to INR 2,818.85 Crore; and the textile sector's PLI allocation surging from INR 45 Crore to INR 1,148 Crore.

The country is steadily advancing towards Industry 4.0, adopting best-in-class technologies in manufacturing. This is further supported by government initiatives such as the National Manufacturing Mission, which aims to raise the manufacturing sector's contribution to GDP to 25% by 2025.





Global Textile Market

The International Textile Manufacturers Federation (ITMF) has released the results of its 31st Global Textile Industry Survey (GTIS) for March 2025, reflecting a complex global landscape marked by modest deterioration in business conditions, persistent structural challenges and cautious optimism. After a gradual recovery since November 2023, the global textile industry saw a slight downturn in March 2025. While East Asia and North & Central America reported marginal improvements, overall business sentiment remained weak. Garment producers continued to outperform other segments, maintaining relatively stable performance. Despite short-term pressures, expectations for Q4 2025 remain positive, with Africa and the Americas expressing the strongest optimism. In contrast, East Asia displayed a more pessimistic outlook. Producers of garments, fibres and finished fabrics showed greater confidence, whereas those in technical and home textiles were more cautious.

Order intake momentum slowed, particularly in East Asia and Europe, though South-East Asia remained stable. Garment producers again led in sustaining orders. The global average order backlog fell slightly to 2.2 months, with Europe holding the longest due to its strong manufacturing base. Capacity utilization remained steady at 73%, bolstered by robust activity in Asia. Inventory levels rose, especially among yarn producers, while garment manufacturers continued to keep stock levels low amid market uncertainties.

Key industry concerns include:

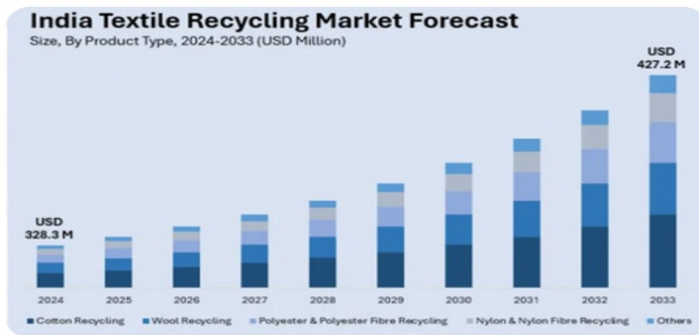
- ▶ Weak demand – cited by 62% of respondents
- ▶ Geopolitical tensions – cited by 41%
- ▶ Rising interest rates and new sustainability regulations
- ▶ Concerns over energy and raw material costs showed a slight decline

The GTIS underscores the industry's resilience in navigating economic headwinds while maintaining a forward-looking stance.





Indian Textile Market



The India textile recycling market size reached **USD 328.3 Million in 2024**. The market is expected to reach **USD 427.2 Million** by 2033, exhibiting a growth rate (**CAGR**) of **2.82%** during 2025-2033. The market growth is attributed to increasing environmental concerns, government support for sustainable practices, rising awareness about waste management, the growing demand for eco- friendly products, innovations in recycling technologies, increasing textile waste generation, and a shift towards circular economy models in fashion and apparel industries.

Government initiatives are playing a crucial role in shaping India's textile recycling market. The implementation of supportive policy frameworks, such as the Prime Minister Mega Integrated Textile Regions and Apparel (PM-MITRA) parks scheme, is central to this effort. The Ministry of Textiles has approved the development of seven PM-MITRA parks with a total investment of INR 4,445 Crore to establish world-class, end-to-end textile clusters. These integrated parks are expected to leverage India's "5 F" vision (Farm-to-Fibre-to-Factory-to-Fashion-to-Foreign). It aims to create world-class textile hubs in multiple states, such as Uttar Pradesh, where a park is being built in Lucknow. These parks are designed to provide the infrastructure necessary to support sustainable textile practices, including recycling. By incentivizing investment in circular economy practices, the PM-MITRA scheme seeks to promote recycling-friendly ecosystems, such as textile waste sorting and fiber recovery.

In addition, the introduction of Extended Producer Responsibility (EPR) guidelines is creating a regulatory framework that encourages producers to take responsibility for the life cycle of their products. Global regulatory frameworks like the EU's EPR and California's textile waste laws further pressure Indian stakeholders to invest in sustainable practices, influencing Indian textile producers, manufacturers, and recyclers to adopt circular methods.





Global PET Market Overview

The global PET packaging market was valued at approximately **USD 41.03 billion in 2023**, and grew to **USD 42.34 billion in 2024**. It is projected to reach **USD 66.28 billion by 2032**, rising at a **CAGR of 5.76%** over 2024–2032. Europe led the PET packaging market with a 30.32% share in 2023. The **U.S. market** alone is forecasted to reach **USD 12.18 billion by 2032**, fueled by strong demand in the food & beverage sector. Asia-Pacific was the largest regional market for PET in 2024, holding **38% of global revenues**. The **Middle East & Africa region** is expected to grow at a robust **6.3% CAGR through 2030**. Consumer demand for **lightweight, recyclable packaging**, particularly in beverages and pharmaceuticals, is a major growth driver.

Source- https://www.fortunebusinessinsights.com/pet-packaging-market-104899?utm_,
https://www.fortunebusinessinsights.com/pet-packaging-market-104899?utm_,
https://www.grandviewresearch.com/industry-analysis/polyethylene-terephthalate-market?utm_,
https://www.gminsights.com/industry-analysis/pet-bottles-market?utm_.

Indian PET Market Overview

PET is the most widely used material in the manufacture of rigid packaging containers, especially for packaging applications in food and beverage industries across the nation. Given the widespread use of PET in the Indian market, the government of India is increasingly encouraging the existing market as well as the adoption of recyclable PET. For instance, the Ministry of Environment, Forest, and Climate Change, allowed the use of recycled content in food-contact packaging. Moreover, to expand consumer base and meet their increasing demand, prominent PET producers across the country are increasing focus on the expansion of their production facilities, which is likely to propel the India PET market significantly.

The India PET bottle-grade market was approximately **1.285 million tonnes (1,285 thousand tonnes)** in **FY2023**, and is projected to reach around **2.23 million tonnes by FY2034**, achieving a **CAGR of 5.14% from FY2024 to FY2034**.

For the recycled PET (rPET) flakes market, revenues were around **USD 957.4 million in 2024**, with forecasts reaching **USD 2,585.7 million by 2033**, at a significantly higher **CAGR of 11.8% from 2025 to 2033**. Growth is primarily fuelled by rising demand across packaged beverages, increased consumer convenience preferences, and awareness around health and hygiene. Expansion into medical and pharmaceutical packaging, alongside improvements in recycling infrastructure and regulatory support, are amplifying market potential.

Source - https://www.chemanalyst.com/industry-report/india-polyethylene-terephthalate-pet-market-70?utm_, https://www.grandviewresearch.com/horizon/outlook/recycled-pet-flakes-market/india?utm_





Fabric from Upcycled PET Bottles

As sustainability becomes central to global manufacturing and consumer choices, upcycling PET bottles into fabric has emerged as one of the most innovative solutions in the textile industry. Every year, billions of PET (polyethylene terephthalate) bottles are discarded, contributing to growing plastic waste and environmental challenges. By transforming this waste into high-quality fibers and textiles, the industry is not only reducing landfill and ocean pollution but also conserving resources such as energy and water that would otherwise be consumed in producing virgin polyester. The process begins with the collection and cleaning of post-consumer PET bottles, which are then shredded into flakes, melted, and extruded into fibers. These fibers can be spun into yarn and woven or knitted into fabrics. The resulting textiles are durable, versatile, and can be engineered for a wide range of applications including fashion apparel, sportswear, home furnishings, and industrial fabrics.

Source: Textile Value Chain – Recycling PET bottles into textiles, <https://www.sciencedirect.com/science/article/abs/pii/S0959652619330120?utm>.

Market Analysis of Upcycled PET Fabric

The global recycled PET (rPET) market is experiencing robust growth, driven by rising consumer demand for sustainable textiles and stricter environmental regulations. The market size for recycled PET flakes was valued at USD 9.32 billion in 2023 and is projected to reach USD 18.21 billion by 2030, growing at a CAGR of 10.1%. Within this, the textile application segment dominates, accounting for over 40% of rPET demand, as global brands shift toward recycled polyester for fashion, sportswear, and home furnishings. In India, the rPET fabric market is expanding rapidly, supported by government policies such as the Plastic Waste Management Rules (EPR mandates) and growing adoption of sustainable materials by domestic textile leaders like Rudra Ecovation. The Indian recycled PET market is projected to nearly triple in value by 2033, reflecting both rising global exports and domestic consumption.

Source - <https://www.grandviewresearch.com/industry-analysis/recycled-pet-market?utm>, <https://www.chemanalyst.com/industry-report/india-polyethylene-terephthalate-pet-market-70?utm>.



Government Support

Plastic Waste Management Rules (Amended 2021) & Extended Producer Responsibility (EPR):

Mandates that producers, including PET manufacturers, ensure collection and recycling of a fixed percentage of plastics, creating direct demand for rPET and supporting Rudra's Anaura product line.

Source: Ministry of Environment, Forest and Climate Change (MoEFCC)

Solid Waste Management Rules, 2016:

Enforces segregation of waste at source and inclusion of informal waste collectors in formal municipal systems, improving PET waste supply for recycling.

Source: MoEFCC, Government of India

Swachh Bharat Mission (Urban & Phase II):

Strengthens municipal solid waste infrastructure and awareness programs, enabling better PET waste collection that fuels Rudra's recycling operations.

Source: Ministry of Housing & Urban Affairs (MoHUA)

Plastic Parks Scheme:

Provides cluster-based infrastructure support for the downstream plastic processing sector, fostering large-scale facilities such as Rudra's integrated recycling operations.

Source: Department of Chemicals and Petrochemicals, Government of India

Mega Integrated Textile Region and Apparel (MITRA) Scheme:

Promotes sustainable and circular textile parks, aligning with Rudra's Anaura upcycled textile line.

Source: Ministry of Textiles, Government of India

DST Support for Recycling Technologies:

Encourages R&D in advanced recycling and processing technologies, aiding innovation in Rudra's PET recycling and fabric dyeing processes.

Source: Department of Science & Technology (DST)

Union Budget 2024 :

Recycling Infrastructure Push: Allocates funding to promote plastic recycling and waste management infrastructure in major cities, opening partnership avenues for companies like Rudra.

Source: Union Budget 2024–25, Government of India

Uniform EPR Framework for PET Bottles:

Establishes clear national guidelines for PET collection and recycling targets, ensuring predictable feedstock for rPET-based textile products.

Source: MoEFCC Circulars on EPR Framework

Financial Support Schemes for Recycling Startups:

Provides incentives and funding for innovative recycling ventures, encouraging sustainable scale-ups such as Rudra's Anaura brand.

Source: Ministry of Finance, Government of India



Research and Development (R&D)

In FY 2024-25, the Ministry of Textiles approved 23 strategic R&D projects (focused on specialty fibres, sustainable textiles, technical textiles and more) amounting to INR 60 Crore, with the objective of driving innovation and improved operational efficiency.

Trade Agreements

PM MITRA Parks

Seven PM MITRA (Mega Integrated Textile Region and Apparel) Parks (with a total outlay of INR 4,445 Crore) are under development in Tamil Nadu, Telangana, Gujarat, Karnataka, Madhya Pradesh, Uttar Pradesh and Maharashtra. These 'farm-to-factory' hubs aim to integrate spinning, weaving, processing and apparel manufacturing under one roof.

PLI Scheme

The Production Linked Incentive (PLI) Scheme for Textiles, with an approved outlay of INR 10,683 Crore (from FY 2020-21 to FY 2025-26), has already generated INR 1,355 Crore in turnover, including INR 166 Crore in exports, by March 31, 2024. The scheme continues to promote the production of man-made fibre (MMF) apparel and technical textiles.

Kasturi Cotton Bharat

Launched in mid-2024, this joint branding and traceability initiative encourages the use of Indian cotton globally. At Bharat Tex 2025, Kasturi Cotton secured MoUs with few Industries, which further enhanced export prospects.

National Technical Textile Mission (NTTM)

With a total allocation of INR 517 Crore, the NTTM has disbursed INR 393.39 Crore across 168 projects (focusing on market development, export promotion and skill building) since its inception. This has further consolidated India's leadership in high-value technical textiles.

Bharat Tex 2025

Bharat Tex 2025, India's largest global textile event, was successfully organized from February 14 to 17, 2025, at Bharat Mandapam, New Delhi. The event spanned 2.2 million square feet and featured over 5,000 exhibitors, providing a comprehensive showcase of India's textile ecosystem. More than 1,20,000 trade visitors, from 120+ countries including global CEOs, policymakers, and industry leaders, attended the event.

Bharat Tex 2025 served as a platform to accelerate the government's "Farm to Fibre, Fabric, Fashion, and Foreign Markets" vision. India's textile exports have already reached ₹3 lakh crore, and the goal is to triple this to ₹9 lakh crore by 2030 by strengthening domestic manufacturing and expanding global reach. The event demonstrated India's leadership in the textile sector and its commitment to innovation, sustainability, and global collaboration.



SWOT Analysis

The Company is mainly engaged in the business of Manufacturing of yarn and Fibre, so the Management considers as this is the only business segment of the Company.



STRENGTH

Resource Conservation:

- Reduces dependence on virgin raw materials (e.g., cotton, petroleum-based polyester).
- Helps address supply chain volatility and raw material price inflation.

Labour:

- The Indian apparel and textile industry has long been supported by low-cost labour and strong entrepreneurial abilities.

Adaptability:

- The garment industry's predominately small-scale manufacturing gives for more flexibility in handling more specific and smaller orders.

Government Support:

- Initiatives like the Production Linked Incentive (PLI) scheme for textiles aim to boost domestic manufacturing, especially in the man-made fiber (MMF) and technical textiles segments.



WEAKNESS

Low Recycling Rate

- Globally, <1% of textiles are recycled into new textiles.
- Lack of infrastructure for collection, sorting, and processing.

High Capital & Operational Costs

- Expensive, complex machinery required for fiber-to-fiber recycling (esp. blended fabrics).
- Long ROI periods discourage investment by smaller players.

Technological Limitations

- Difficulty in recycling mixed fibers, dyed materials, or garments with synthetic additives.
- Mechanical recycling often degrades fiber quality.

Limited Consumer Participation

- Low return rates for post-consumer textiles; lack of awareness or convenience in disposal.
- Informal recycling sectors dominate in many developing economies, lacking scale or compliance.

Quality & Design Constraints

- Recycled materials may not match performance or aesthetics of virgin fibers.
- Designers face limits in fabric types and applications.



OPPORTUNITIES

Global Shift towards Sustainable Textiles:

- Increasing demand for eco friendly and ethically produced products aligns with Company's sustainability agenda.

Expansion into New Geographies:

- Growing opportunities in emerging markets for home textiles.

Government Incentives:

- Benefitting from Production Linked Incentive (PLI) schemes and textile parks under Make in India.

Innovation in Functional Textiles:

- Scope to develop antimicrobial, organic, and smart fabrics.



THREATS

Global Market Volatility:

- Economic slowdowns, geopolitical tensions, and trade barriers can impact exports and input costs.

Intense Industry Competition:

- Price and quality pressures from global players, especially in textiles.

Regulatory and Environmental Compliance Risks:

- Stricter norms, particularly in water-intensive sectors, can lead to cost and operational pressures.

Currency Fluctuations:

- Affects export competitiveness and profitability.



ESG Focus

ESG is not just compliance, it is the way we do our business

ESG Audit

- Received an ESG score of 73 from GEM Enviro Management Ltd via third-party audit.

Committed to Achieve UNSDG Goals

- Dedicated to achieving the UN Sustainable Development Goals (UNSDGs) by integrating sustainability into operations and fostering responsible practices across the supply chain.

Plastic Waste Used in Manufacturing Processes

- OBP – Ocean Bond Plastic
- HBP – Hill Bond Plastic
- PCW – Post Consumer Waste

Environmental Impact

- 1.4 Lakh MT CO₂ emissions saved annually
- 3.2 Billion PET bottles recycled annually
- 1M+ cubic meters of landfills saved annually
- 50% to 60% less energy used compared to virgin material
- 20% to 30% less water used compared to virgin material





HEALTH AND SAFETY MEASURES

The Company has health and workplace safety programs in place and has established policies and procedures aimed at ensuring compliance with applicable laws/legislative requirements. The Company believes that the health and safety of the workers and the persons residing in the vicinity of its plants is fundamental to the business. Commitment to the identification and elimination or control of the work place hazards for protection of all is utmost importance.

The total permanent employee's strength of the Company was 214 as on 31st March, 2025. The industrial relation continued to remain cordial during the year.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Human resource is considered as the most valuable of all resources available to the Company. The Company recognizes the importance and contribution of its human resources for its growth and development and is committed to the development of its people. The Company has been adopting methods and practices for Human Resources development. With utmost respect to human values, the Company continues to develop its human resources, through appropriate trainings, workshops, motivation/ leadership techniques and employee welfare activities at regular intervals.

INTERNAL CONTROL SYSTEMS AND ADEQUACY

Internal control systems for financial reporting have been put in place by the Company and they are appropriate for its size and sector. These solutions are made to protect company assets while increasing productivity and efficiency at every level of the organization. The Company has set up strict protocols to guarantee operational support and financial reporting accuracy. Business operations are regularly observed by an internal team and audit committee, which swiftly notifies the Management Board of any anomalies. To guarantee steady and sustainable growth, the Company creates strategies to recognise, evaluate and reduce risks based on these findings. These internal control mechanisms are essential for upholding regulatory compliance, combating fraud and preserving transparency. Ultimately, the Company attracts investment, builds stakeholder confidence and achieves long-term success in the market by offering strong financial reporting and operational support.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE.

STANDALONE BASIS):			
Particulars	2024-25	2023-24	Change (%)
Revenue from Operation	2735.24	2047.5	33.59
Operating Profit (EBITDA)	-88.77	184.77	-148.04
Finance Cost	145.71	170.1	-14.34
Depreciation Cost	115.56	130.31	-11.32
Profit/ Loss Before Tax	-350.03	-115.64	202.69
Profit/ Loss after Tax	-350.03	-115.64	202.69



SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

Particulars	Unit	2024-25	2023-24	Change (%)	Reason
Debtors Turnover	Days	5.95	1.67	257.06	Due to change in Average Receivable
Inventory Turnover	Days	1.76	1.13	55.61	Due to change in average inventories
Interest Coverage Ratio	Times	-0.61	1.09	-155.96	Due to Operating Loss
Current Ratio	Times	1.16	2.99	-61.13	Due to increase in current liabilities
Debt Equity Ratio	Times	0.06	0.07	-14.03	Due to increase in Debt
Operating Profit Margin (%)	%	-3.25	9.02	-136.03	Due to loss during the year
Net Profit Margin (%)	%	-11.57%	-2.61%	343.29	Due to increase in loss
Return on Net Worth	%	-3.86	-8.4	-54.05	Due to increase in Net worth

Cautionary statement

Certain statements that are forward-looking within the meaning of applicable laws and regulations may be included in the Management Discussion and Analysis Report along with your Company's goals, estimates, projections and expectations. There is a chance that the statements made or implied elsewhere will not exactly match those in this Management Discussion and Analysis Report. Aside from other incidental factors, significant factors that could affect the Company's operations include changes in governmental regulations, tax laws, the forex market, availability and pricing of raw materials, cyclical demand and pricing in the Company's primary markets and economic developments in India and the nations in which the Company conducts business. Subject to relevant laws and regulations, the Company's Management Discussion and Analysis Report may include forward-looking statements about its goals, estimates, projections and expectations. The Company's operations may be adversely impacted by certain factors and the actual results may differ from these statements.

NOTICE

Notice is hereby given that the **44th Annual General Meeting (AGM)** of the members of **RUDRA ECOVATION LIMITED** Company will be held on Tuesday, the 30th day of September, 2025 at 01:00 p.m. through Video Conferencing (VC) / Other Audio Visual Means (OAVM), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs and Securities & Exchange Board of India in this regard, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements along with reports of the Board of Directors and Auditors thereon for the financial year ended 31st March, 2025. (Ordinary Resolution)
2. To consider and approve, with or without modification, the appointment of Mr. Gian Chand Thakur (DIN: 07006447) Whole Time Director, who retires by rotation and being eligible, offers himself for reappointment.(Ordinary Resolution)

SPECIAL BUSINESS:

To consider and if thought fit, pass with or without modification(s), the following Resolutions:

3. Appointment of M/s. Bhambri & Associates, Company Secretaries, as Secretarial Auditor of the Company

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

"RESOLVED THAT pursuant to the provisions of Section 204 of the Companies Act, 2013 ("the Act") read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Act (including any statutory modifications, amendments or re-enactments thereto), and further read with Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended to date, based on the recommendation of Audit Committee and approval of Board of Directors, approval of members be and is hereby accorded to appoint M/s Bhambri & Associates,(CP-22626) Practicing Company Secretaries as Secretarial Auditors, of the Company from the conclusion of 44th AGM till the conclusion of 49th AGM, to carry out the Secretarial Audit for a period of five consecutive financial years i.e., from FY 2025-26 to FY 2029-30 on such terms of remuneration, including reimbursement of out-of-pocket expenses, as may be mutually agreed to between the Board of Directors of the Company and the Secretarial Auditor.

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things as it may, in their absolute discretion, deem necessary or desirable in order to give effect to the above resolution for and on behalf of the Company."

4. TO APPOINT/CHANGE IN DESIGNATION OF MR. DHARAM VEER SINGH (DIN: 11060607) TO AN 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 applicable provisions of Section 149, 150, 152 read with Schedule IV to the Companies Act, 2013 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 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Mr. Dharam Veer Singh (DIN: 11060607), who was appointed as an Additional Director (Non-Executive Independent Director) of the Company w.e.f. 13.08.2025 in terms of Section 161(1) of the Companies Act, 2013 and in respect of whom the Company has received a notice and declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act and who is eligible for appointment, be and is hereby appointed as an Non-Executive Independent Director, not liable to retire by rotation, to hold office for a term of Five Consecutive Years w.e.f. August 13, 2025 till August 12, 2030.

RESOLVED FURTHER THAT Directors of the Company be and are hereby severally authorized on behalf of the Company, to do all such acts, deeds, matters and things as may be deemed necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary E-form with the Registrar of Companies."

5. TO APPROVE MATERIAL RELATED PARTY TRANSACTION(S) WITH SHIVA TEXTFABS LIMITED FOR F.Y. 2026-27

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

“RESOLVED THAT pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the “SEBI Listing Regulations”) and Section 188 of the Companies Act, 2013 (the “Act”), if any, and to the extent applicable, and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 including any amendments, statutory modifications and/or re-enactment thereof for the time being in force, read with the Company’s Policy on dealing with Related Party Transactions, and subject to such other laws, rules and regulations as may be applicable in this regard and basis the recommendation of the Audit Committee and approval of the Board of Directors of the Company, consent of the members be and is hereby accorded to the Board of Directors (the “Board”, which term shall include any of the committees thereof) of the Company to enter into any and all material related party transactions/contracts/arrangements whether by way of an individual transaction or series of transactions taken together with Shiva Texfab Limited a ‘related party’ as defined in Regulation 2(1)(zb) of the SEBI Listing Regulations, inter-alia, for entering into transactions as detailed in the explanatory statement to this resolution, on such terms and conditions as the Board, in its absolute discretion, may deem fit, provided that the aggregate outstanding value of all such material related party transactions/contracts/ arrangements shall, at any point of time, not exceeding Rs. 50 Crore (Rupees Fifty Crore only) for each transaction or upto the amount as mentioned in explanatory statement forming part of the notice for Financial year 2026-27, provided that the said transactions shall be at the arm’s length basis and in the ordinary course of business.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give full effect to the above resolution and matters connected therewith or incidental thereto including finalizing and executing necessary contract(s), arrangement(s), agreement(s) and such other documents as maybe required, settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all decisions from the powers herein conferred to, without being required to seek any further consent/approval from the members of the Company.”

6. TO APPROVE MATERIAL RELATED PARTY TRANSACTION(S) WITH YOGINDERA WORSTED LIMITED FOR F.Y. 2026-27

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

“RESOLVED THAT pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the “SEBI Listing Regulations”) and Section 188 of the Companies Act, 2013 (the “Act”), if any, and to the extent applicable, and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 including any amendments, statutory modifications and/or re-enactment thereof for the time being in force, read with the Company’s Policy on dealing with Related Party Transactions, and subject to such other laws, rules and regulations as may be applicable in this regard and basis the recommendation of the Audit Committee and approval of the Board of Directors of the Company, consent of the members be and is hereby accorded to the Board of Directors (the “Board”, which term shall include any of the committees thereof) of the Company to enter into any and all material related party transactions/contracts/arrangements whether by way of an individual transaction or series of transactions taken together with Yogindera Worsted Limited a ‘related party’ as defined in Regulation 2(1)(zb) of the SEBI Listing Regulations, inter-alia, for entering into transactions as detailed in the explanatory statement to this resolution, on such terms and conditions as the Board, in its absolute discretion, may deem fit, provided that the aggregate outstanding value of all such material related party transactions/contracts/ arrangements shall, at any point of time, not exceed Rs. 50 Crore (Rupees Fifty Crore only) for each transaction or upto the amount as mentioned in explanatory statement forming part of the notice for Financial year 2026-27, provided that the said transactions shall be at the arm’s length basis and in the ordinary course of business.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give full effect to the above resolution and matters connected therewith or incidental thereto including finalizing and executing necessary contract(s), arrangement(s), agreement(s) and such other documents as maybe required, settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all decisions from the powers herein conferred to, without being required to seek any further consent/approval from the members of the Company.”

By order of the Board
For Rudra Ecovation Limited
(Formerly Known as Himachal Fibres Limited)
Sd/-
Nancy Singla
Company Secretary

Place: Ludhiana
Date: September 02, 2025
Registered Office: 43-44, Industrial Area, Barotiwala-174103(Himachal Pradesh)
Corporate Office: 4th Floor, Wood Stock Tower, B-35/958, Adarsh Nagar,
Ferozepur Road, Opposite Waves Mall, Ludhiana, Punjab-141012
CIN: L17119HP1980PLC031020/ L43292HP1980PLC031020
Website: www.rudraecovation.com
Email: hfl.corporate@gmail.com

NOTES:

- i) The Ministry of Corporate Affairs (MCA) vide its Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 8, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 2/2022 dated May 05, 2022 and Circular No. 10/2022 dated December 28, 2022 and subsequent circulars issued in this regard, the latest being General Circular No. 09/2024 dated 19 September 2024, issued by the Ministry of Corporate Affairs ('MCA') and Circular No. SEBI/HO/CFD/CFDPoD-2/P/CIR/2024/133 dated 3 October 2024 read with SEBI Master Circular SEBI/ HO/CFD/PoD2/CIR/P/0155 dated 11th November 2024 issued by Securities and Exchange Board of India ('SEBI') (hereinafter collectively referred to as 'Circulars'), which permit the companies to hold AGM through VC/ OAVM, which does not require physical presence of members at a common venue and sending physical copies of Annual Report. The deemed venue for the 44th AGM shall be the Registered Office of the Company i.e. Rudra Ecovation Limited, Plot No. 43-44, Industrial Area, Barotiwala Himachal Pradesh- 174103, India
- ii) The venue of the Meeting shall be deemed to be the Registered Office of the Company.
- iii) The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto and form part of this Notice.
- iv) Pursuant to MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 113 of the Companies Act, 2013, body corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and cast their votes through e-voting.
- v) Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
- vi) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- vii) In line with the MCA Circulars and SEBI Circular dated May 12, 2020, January 15, 2021 and May 13, 2022 and January 5, 2023, the Notice calling the AGM along with Annual Report for the year 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that Notice and Annual Report 2024-25 has been uploaded on the website of the Company at www.rudraecovation.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com. However, hard copy of full annual report will be sent to the shareholder who request for the same.
- viii) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Beetal Financial & Computer Services (P) Ltd.
- ix) **The Register of Members and the Share Transfer Book of the company will remain closed from 24th September, 2025 to 30th September, 2025 (both days inclusive).**
- x) In terms of the provisions of Section 152 of the Companies Act, 2013, Mr. Gian Chand Thakur (DIN: 07006447) Whole Time Director, retire by rotation at this Meeting and offered himself for re-appointment. The Nomination and Remuneration Committee and the Board of Directors of the Company commend his re-appointment.
- xi) The relevant information under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, regarding the Directors who are proposed to be appointed/ reappointed, is given hereto and form part of the Notice.
- xii) As per Regulation 40 of SEBI (LODR) Regulations, 2015, securities of listed companies can be transferred only in dematerialized form.

In view of the above 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 dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agent M/s Beetal Financial & Computer Services (P) Limited for assistance in this regard.

- xiii) To avail the facility of nomination, Members holding shares in physical are requested to send us duly filled and signed Nomination Form (Form No. SH-13) to the Company's RTA. In respect of shares held in dematerialised form, the nomination form may be filed with the respective DP.
- xiv) Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Registrar and Share Transfer Agent, M/S Beetal Financial & Computer Services (P) Limited, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
- xv) In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- xvi) **SEBI vide its Circular No. SEBI/HO/MIRSD/ MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023, Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2021/687 dated December 14, 2021 and SEBI Circular No. SEBI/HO/MIRSD/ MIRSD_ RTAMB/P/CIR/2021/655 dated November 3, 2021 (the "SEBI Circulars") has mandated for furnishing/ updating PAN, KYC details (Address, Mobile No., E-mail ID, Bank Details) and Nomination details by all the holders of physical securities in listed company in the prescribed forms i.e. ISR-1, ISR-2, SH-13/ ISR-3/ SH-14 otherwise RTA shall be constrained to freeze such Folio(s) effective from October 01, 2023.**
In compliance thereof, the Company has already sent the communication along with prescribed forms to all the physical shareholders at their registered address. Members are requested to forward the duly filled in Forms along with the related proofs to the Company at its Registered Office at 43-44, Industrial Area, Barotiwala- 171103, HP or Registrar and Transfer Agent at M/s. Beetal Financial & Computer Services (P) Limited. The aforesaid forms can be downloaded from the website of the Company at <https://rudraecovation.com/wp-content/uploads/2024/08/Untitled.pdf>.
- xvii) As an on-going measure to enhance ease of dealing in securities markets by investors, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/ P/CIR/2022/8 dated January 25, 2022 has decided that listed companies shall henceforth issue the securities in dematerialized form only while processing the service requests for: 1. Issue of duplicate securities certificate; 2. Claim from Unclaimed Suspense Account; 3. Renewal / Exchange of securities certificate; 4. Endorsement; 5. Sub-division / Splitting of securities certificate; 6.Consolidation of securities certificates/folios; 7.Transmission; 8. Transposition. Therefore, Members are requested to kindly get their shares dematerialised at the earliest.
- xviii) Mr. Ansh Bhambri, Company Secretary in practice has been appointed as the Scrutinizer to scrutinize to the e-voting process i.e. votes cast during the AGM and votes cast through remote e-voting in a fair and transparent manner.
- xix) The Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote evoting), within two working days of the conclusion of the AGM.
- xx) The results declared along with the Scrutinizer's Report shall be placed on the website of the Company www.rudraecovation.com and on the website of CDSL i.e. www.cdslindia.com.The results shall simultaneously be communicated to the Stock Exchanges.
- xxi) Subject to the receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of the 44th Annual General Meeting i.e. 30th September, 2025.
- xxii) A person, who is not a member as on the **cut-off date i.e. 23rd September, 2025** should treat this Notice for information purposes only.
- xxiii) 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) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
- xxiv) The Members can join the 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 AGM through VC/OAVM will be made available to atleast 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.
- xxv) **Voting through Electronic Means:** Pursuant to the Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management And Administration) Rules, 2014, as amended from time to time and Regulation 44 of SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to the Members a facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means.

xxvi) **THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on Saturday, **27.09.2025 at 09:00 a.m. and ends on Monday, 29.09.2025 at 05:00 pm**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Tuesday, **23.09.2025** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 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 to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from 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 evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4) 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & 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. CDSL and NSDL

Login type	Helpdesk details
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 2109911
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.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on “Shareholders” module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN **250825015** for the relevant < **RUDRA ECOVATION LIMITED** > on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; hfl.corporate@gmail.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **Seven days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at hfl.corporate@gmail.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **Seven days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at hfl.corporate@gmail.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company(hfl.corporate@gmail.com)/RTA email id (beetalrta@gmail.com).
2. For Demat shareholders -, please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact toll free no. 1800 2109911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 2109911.

By order of the Board
For Rudra Ecovation Limited
(Formerly Known as Himachal Fibres Limited)
Sd/-
Nancy Singla
Company Secretary

Place: Ludhiana
Date: September 02, 2025

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

ITEM NO. 3

Appointment of M/s. Bhambri & Associates, Company Secretaries, as Secretarial Auditor of the Company

The Securities and Exchange Board of India ('SEBI') has amended the Listing Regulations with effect from December 12, 2024, by which every Listed Entity and its Material Unlisted Subsidiary incorporated in India shall undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and their appointment shall be recommended by the Board for approval by the Shareholders. The appointment of an individual as Secretarial Auditor shall not be for more than one term of five consecutive years or a Secretarial Audit Firm as Secretarial Auditor for not more than two terms of five consecutive years each, with the approval of the Shareholders in the Annual General Meeting.

In line with the SEBI notification, the Board at its meeting held on 29.05.2025, subject to the approval of the Shareholders, proposes to appoint M/s Bhambri & Associates, as Secretarial Auditor of the Company from the conclusion of 44th AGM till the conclusion of 49th AGM, to carry out the Secretarial Audit for a period of five consecutive financial years i.e., from FY 2025-26 to FY 2029-30, as set out at Item No.3 of the accompanying Notice.

Remuneration: The secretarial audit fees of Rs 75,000/- p.a. plus applicable taxes and out-of-pocket expenses on actual basis, if any and subject to further increase of upto 30% during their tenure. In addition to the secretarial audit, M/s Bhambri & Associates may provide such other permissible services from time to time as may be approved by the Board of Directors.

Brief Profile: Mr. Ansh Bhambri is a Fellow member of Institute of Company Secretaries of India having vast experience in handling secretarial, legal and day to day matters of listed and unlisted companies.

Confirmation and Disclosures: M/s Bhambri & Associates have confirmed and disclosed that:

- they meet the criteria of independence and that they are eligible for appointment as Secretarial Auditor.
- they are not disqualified for appointment as per the Companies Secretaries Act, 1980 and rules & regulations made thereunder and the Auditing Standards issued by ICSI.
- they have further confirmed that the proposed appointment is within the limits laid down by ICSI and that they do not have any conflict of interest in providing the services of Secretarial Audit, to the Company in terms of the ICSI Auditing Standard on Audit Engagement.

Rationale for the appointment: The Board has assessed the veracity of the declarations and other certificates furnished by M/s Bhambri & Associates, Company Secretaries and considering their experience, capability, the clientele it serves and its technical expertise, and based on the recommendations of the Audit Committee, has opined that M/s Bhambri & Associates, Company Secretaries, fulfill the conditions / criteria for their appointment as Secretarial Auditor of the Company and accordingly, recommends the said appointment to the Shareholders, for their approval.

Disclosure of Interest: 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 Resolution set out at Item No. 3 of the accompanying Notice.

ITEM NO. 4

TO APPOINT/CHANGE IN DESIGNATION OF MR. DHARAM VEER SINGH (DIN: 11060607) TO AN INDEPENDENT DIRECTOR OF THE COMPANY

It is proposed to appoint Mr. Dharam Veer Singh (DIN: 11060607), as Independent Director under Section 149 of the Companies Act, 2013 to hold office for 5 (five) consecutive years on the Board of the Company from August 13, 2025 to August 12, 2030.

The Company has received declaration from Mr. Dharam Veer Singh that he meets criteria of independence as prescribed under Section 149 (6) of the Act.

In the opinion of Board, Mr. Dharam Veer Singh fulfils the conditions for appointment as Independent Director as specified in the Act and is independent of management.

Brief profile of Mr. Dharam Veer Singh has been attached at the end of this statement.

Copy of the letter of appointment of Mr. Dharam Veer Singh as Independent Director setting out the terms and conditions of appointment are available for inspection at the registered office of the Company.

The Board of Directors recommends the Special Resolution at item no. 4 for approval of the Members.

Mr. Dharam Veer Singh, to whom the resolution relates, is interested in the proposed resolution. No other Directors, Key Managerial Personnel or their relatives is concerned or interested either financially or otherwise in the above said resolution set out in Item No. 4, except to the extent of his shareholding, if any.

ITEM NO. 5 & 6**TO APPROVE MATERIAL RELATED PARTY TRANSACTION(S) WITH SHIVA TEXTFABS LIMITED AND YOGINDERA WORSTED LIMITED FOR F.Y. 2026-27**

The Corporation is engaged in business of manufacturing of fibre and yarn. In furtherance of its business activities, the Corporation has entered into / will enter into transactions / agreements / arrangements with related parties in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015. Related Party transactions are at arm's length basis and in the ordinary course of business.

The Corporation has a set process for the related party transactions undertaken by it. Further, all related party transactions are undertaken after obtaining prior approval of the Audit Committee. All related party transactions have been unanimously approved by the Audit Committee. The Audit Committee reviews on a quarterly basis, the details of all related party transactions entered into by the Corporation during the previous quarter, pursuant to its approvals.

The applicable provisions of Regulation 23 of the SEBI Listing Regulations, requires the listed entities to take prior approval of shareholders by means of an Special Resolution for all material related party transactions, even if such transactions are in the ordinary course of business of the Company and at arm's length basis.

Further, a transaction with a related party shall be considered material if the transactions to be entered into individually or taken together with previous transactions during a financial year, exceeds Rs. 1,000 Crore or 10% of the annual consolidated turnover as per the last audited financial statements of a listed entity, whichever is lower.

Further The Company vide resolution passed at the First Extraordinary General Meeting of the Company held on August 08, 2025, has obtained approval of the Members of the Company for entering into the transactions with Shiva Textfabs Limited and Yogindera Worsted Limited up to INR 50 Crore each for FY 2025-26. However, considering business requirements, the Company propose to take approval for amount of INR 50 Crore each for transactions with Shiva Textfabs Limited and Yogindera Worsted Limited FY 2026-27.

Details pursuant to SEBI Circular dated 14.02.2025 & Industry Standards on "Minimum information to be provided for Review of the Audit Committee and Shareholders for Approval of Related Party Transaction (RPT)" is given in Annexure - A.

None of the Directors, Key Managerial Personnel (KMPs), and their relatives, except to the extent of their direct/indirect shareholding or involvement, if any, in the related party, are concerned or interested, financially or otherwise, in the resolution.

The Board recommends the passing of the Special Resolutions set out in the Notice item no. 5& 6 for the approval of members.

**By Order of the Board
For Rudra Ecovation Limited
(Formerly Known as Himachal Fibres Limited)**

**Place: Ludhiana
Dated: September 02, 2025**

**Sd/-
Nancy Singla
Company Secretary and Compliance officer**

Information Pursuant to Regulation 36 (3) of the Listing regulations and Secretarial Standard-2 on General Meeting issued by the Institute of Company Secretaries of India (ICSI), regarding the Directors seeking appointment/re-appointment in the Annual General Meeting.

As required under regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the particulars of Directors who are proposed to be appointed/ re-appointed are given below:

Name of the Director	Mr. Gian Chand Thakur	Mr. Dharam Veer Singh
DIN	07006447	11060607
Designation	Whole Time Director	Independent Director
Date of Birth	20/04/1972	15/06/1980
Age	53 years	45 years
Date of Appointment	12.11.2014	13.08.2025
Brief Resume & Expertise in specific functional area	<p>He has experience of more than 33 years in the textile industry and he is Whole Time Director of the Company.</p> <p>He possesses rich experience as commercial head. As the Whole Time Director of the Company, Mr. Thakur has played a pivotal role in overseeing the end-to-end operations, including production planning, quality control, procurement, and customer relationship management. His deep understanding of textile manufacturing processes, market dynamics, and operational efficiencies has significantly contributed to the growth and competitiveness of the Company in a highly dynamic and evolving industry. Under his guidance, the Company has successfully enhanced its production capabilities and maintained high standards of quality and compliance.</p>	<p>Mr. Dharam Veer Singh is a Graduate from Punjab University. He holds directorship in 2 (two) Companies i.e. Shiva Textfabs Limited, Yogindera Worsted Limited. He has more than 20 years experience in textile industry.</p>
Board meetings held & attended during FY 2023-24	Held Seventeen (17) and attended Seventeen (17)	N.A.
No. of Shares in the company	Nil	Nil
Qualification	MA in Public Administration	Graduate
Directorships of other Listed Companies	NIL	Nil
Chairmanship / Membership of Committees of other Listed Companies	NIL	Nil
Relationship with other Directors	Not related to any director	Not related to any director
Terms and Conditions of appointment or re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person	<p>The said reappointment is pursuant to retirement by rotation. There is no change in the terms and conditions of appointment of Mr. Gian Chand Thakur as Whole Time Director.</p>	<p>He is appointed for a term of five years w.e.f. 13.08.2025 till 12.08.2030. He has been appointed as Non-Executive Independent Director not liable to retire by rotation</p>

Annexure- A

The particulars of the contract / arrangement with Shiva Textfabs Limited and Yogindera Worsted Limited are as under:

Sr. No.	A (1). Basic details of the related party						
1.	Name of Related Parties and its relation with the listed entity	Shiva Textfabs Limited			Yogindera Worsted Limited		
		Shiva Textfabs Limited is an entity under the common control with the company			Yogindera Worsted Limited is an entity under the common control with the company		
2.	Country of Incorporation of Related Party	India			India		
3.	Nature of Business of Related Party	Textile			Textile		
	A (2). Relationship and ownership of the related party						
4.	Relationship between the listed entity and the related party.	Common Director and Promoter (Group Company)			Common Director and Promoter (Group Company)		
5.	Shareholding or contribution % or profit & loss sharing % of the listed entity, whether direct or indirect, in the related party.	Shareholding of Rudra in Shiva Textfabs limited - 6.65% Fully paid up shares Invested 4701755 partly paid up equity shares. Indirect Shareholding: Akhil Malhotra: 18.92% Simmi Malhotra: 0.67% Mayank Malhotra: 0.05%			Nil Indirect Shareholding: Akhil Malhotra: 3.20% Mayank Malhotra: 0.01% Balmukhi Textiles Private Limited- 20.69% Brijeshwari Textiles Private Limited- 16.04% Shiva Spinfab Private Limited: 38.61%		
6.	Shareholding of the related party, whether direct or indirect, in the listed entity.	Direct Shareholding of Shiva Textfabs Limited- Nil Indirect Shareholding: Akhil Malhotra -0.44% Shiva Spinfab Private Limited- 1.09% Simmi Malhotra- 4.37% Mayank Malhotra- 1.75%			Direct Shareholding- Nil Indirect Shareholding: Akhil Malhotra -0.44%		
	A (3). Financial performance of the related party						
7.	Standalone turnover of the related party for each of the last three financial years:(In Lacs)						
	F.Y. 2023-2024	42000.31			6414.04		
	F.Y. 2022-2023	51329.17			6537.97		
	F.Y. 2021-2022	49790.39			4930.28		
8.	Standalone net worth of the related party for each of the last three financial years:(In Lacs)						
	F.Y. 2023-2024	5863.76			(232.36)		
	F.Y. 2022-2023	(43726.06)			87.39		
	F.Y. 2021-2022	(47033.94)			(55.76)		
9.	Standalone net profits of the related party for each of the last three financial years:(In Lacs)						
	F.Y. 2023-2024	49589.83			(865.23)		
	F.Y. 2022-2023	(72.75)			(485.96)		
	F.Y. 2021-2022	(166.53)			(361.43)		
	A (4). Details of previous transactions with the related party						
10.	Total amount of all the transactions undertaken by the listed entity with the related party during each of the last three financial years.	F.Y.	Nature of Transaction	Amount (in INR)	F.Y.	Nature of Transaction	Amount (in INR)
		2024-25	Purchase, Sale, rent, Investment	1309173643	2024-25	Purchase, Sale, rent	7565576

		2023-24	Purchase, Sale, rent, Investment	18,93,16,550.60	2023-24	Purchase, Sale, rent,	30,72,000
		2022-23	Purchase, Sale, rent, Investment	30,31,27,183	2022-23	Purchase, Sale, rent,	356181
11.	Total amount of all the transactions undertaken by the listed entity with the related party during the current financial year (till the date of approval of the Audit Committee / shareholders).	Rent- 17700 Sale- 64491032 Purchase- 53257758 All the transactions are in the ordinary course of business and done as if parties were unrelated and on arm's length basis			Rent- 38940 Purchase-43063 All the transactions are in the ordinary course of business and done as if parties were unrelated and on arm's length basis		
12.	Whether prior approval of Audit Committee has been taken for the above mentioned transactions?	Yes			Yes		
13.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last three financial years.	NO			NO		
	A.(5). Amount of the Proposed transactions (All types of transactions taken together)						
14.	Total amount of all the proposed transactions being placed for approval in the current meeting.	Purchase- 50 Crore Sale- 50 crore Rent- 3 lakh Above are an indicative/tentative amounts of transactions that may be done with the related parties, the actual transactions may be much lower than the limits being applied for approval.			Purchase- 50 Crore Sale- 50 crore Rent- 3 lakh Above are an indicative/tentative amounts of transactions that may be done with the related parties, the actual transactions may be much lower than the limits being applied for approval.		
15.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year is material RPT in terms of Para 1(1) of these Standards?	Yes			Yes		
	B. Details for specific transactions						
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	i. Purchase or receipt of goods, material or services including Job work and lease of immovable property goods, material and services and ii. Sale or Supply of goods, material or services including Job work and lease of immovable property goods, material and services, iii. Rent All transactions are in the ordinary course of Business and on arm's length basis			i. Purchase or receipt of goods, material or services including Job work and lease of immovable property goods, material and services and ii. Sale or Supply of goods, material or services including Job work and lease of immovable property goods, material and services, iii. Rent All transactions are in the ordinary course of Business and on arm's length basis		
2.	Details of the proposed transaction	i. Purchase or receipt of goods, material or services including Job work and lease of immovable property goods, material and services and ii. Sale or Supply of goods, material or services including Job work and lease of			i. Purchase or receipt of goods, material or services including Job work and lease of immovable property goods, material and services and ii. Sale or Supply of goods, material or services including Job		

		immovable property goods, material and services, iii. Rent	work and lease of immovable property goods, material and services, iii. Rent
		The transactions being entered into for the Financial Year 2026-27	The transactions being entered into for the Financial Year 2026-27
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	Financial Year 2026-27, One Year	Financial Year 2026-27, One Year
4.	Indicative date / timeline for undertaking the transaction	01.04.2026-31.03.2027	01.04.2026-31.03.2027
5.	Whether omnibus approval is being sought?	NO	NO
6.	Value of the proposed transaction during a financial year. In case approval of the Audit Committee is sought for multi-year contracts, also provide the aggregate value of transactions during the tenure of the contract. If omnibus approval is being sought, the maximum value of a single transaction during a financial year.	Purchase- 50 Crore Sale- 50 Crore Rent- 3 Lakh However, actual amount of Purchase and Sale shall be payable may be differ, as per the terms and conditions / best quotation received from the parties	Purchase- 50 Crore Sale- 50 Crore Rent- 3 Lakh However, actual amount of Purchase and Sale shall be payable may be differ, as per the terms and conditions / best quotation received from the parties
7.	Whether the RPTs proposed to be entered into are:		
	(i) not prejudicial to the interest of public shareholders, and	Yes, the transactions are not prejudicial to the interest of public shareholders	Yes, the transactions are not prejudicial to the interest of public shareholders
	(ii) going to be carried out on the same terms and conditions as would be applicable to any party who is not a related party	Yes, the transactions shall be carried out on the same terms and conditions as would be applicable to any party who is not a related party	Yes, the transactions shall be carried out on the same terms and conditions as would be applicable to any party who is not a related party
8.	Provide a clear justification for entering into the RPT, demonstrating how the proposed RPT serves the best interests of the listed entity and its public shareholders.	Both, Rudra and STL being part of the Shiva Group, These Transactions help to run business smoothly for both the companies and also provide desired quality and services without any interruption and avoid delay in handling material. Transactions are commercially beneficial, and in furtherance of business of the Corporation.	Both, Rudra and Yogindera being part of the Shiva Group, These Transactions help to run business smoothly for both the companies and also provide desired quality and services without any interruption and avoid delay in handling material. Transactions are commercially beneficial, and in furtherance of business of the Corporation.
9.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. The details shall be provided, where the shareholding or contribution or % sharing ratio of the promoter(s) or director(s) or KMP in the related party is more than 2%.	Common directors and promoters and their relatives have interest in the transaction to the extent of their holding directorship/ shareholding in Rudra and Shiva (Shareholding and contribution disclosed below pt. 9(a) & 9(b))	Common directors and promoters and their relatives have interest in the transaction to the extent of their holding directorship/ shareholding in Rudra and Yogindera. (Shareholding and contribution disclosed below pt. 9(a) & 9(b))
	a. Name of Director/ KMP	Akhil Malhotra (Common director and Promoter) Mayank Malhotra (Common Promoter) Simmi Malhotra (Common Promoter) Kajal Rai (Common Independent Director)	Akhil Malhotra (Common director and Promoter) Mayank Malhotra (Common Shareholder) Balmukhi Textiles Private Limited (Common Shareholder) Brijeshwari textiles Private Limited (Common Shareholder)
	b. Shareholding of the director / KMP,	Akhil Malhotra (Common director and	Akhil Malhotra (Common director and

	whether direct or indirect, in the related party	Promoter)- 18.92% Mayank Malhotra(Common Promoter)- 0.05% Simmi Malhotra(Common Promoter)- 0.67% Kajal Rai (Common Director)-0.00% Shiva Spinfab Private Limited – 15.37% (Common Promoter)	Promoter)- 3.20% Mayank Malhotra(Common Promoter)-0.01% Balmukhi Textiles Private Limited (Common Shareholder)- 20.69% Brijeshwari textiles Private Limited (Common Shareholder)- 16.04% Shiva Spinfab Private Limited (Common Shareholder)- 38.61%
10.	Details of shareholding (more than 2%) of the director(s) / key managerial personnel/ partner(s) of the related party, directly or indirectly, in the listed entity.		
	a. Name of Director/ KMP/ partner	Akhil Malhotra,	Akhil Malhotra
	b. Shareholding of the director / KMP/ partner, whether direct or indirect, in the listed Entity	Akhil Malhotra -0.44% (Common Director in the related party)	Akhil Malhotra- 0.44% (Common Director in the related party)
11.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	NA	NA
12.	Other information relevant for decision making.	NIL	NIL
	B(2). Additional details for proposed transactions relating to sale, purchase or supply of goods or services or any other similar business transaction		
13.	Number of bidders / suppliers / vendors / traders / distributors / service providers from whom bids / quotations were received with respect to the proposed transaction along with details of process followed to obtain bids.	Yes, we had received quotation from multiple Suppliers/ Vendors/ Distributors. At, First we file indent, Indent is based on price list or quotation, and then we prepare comparative chart, on the basis of best quality and less price we put order to party.	Yes, we had received quotation from multiple Suppliers/ Vendors/ Distributors. At, First we file indent, Indent is based on price list or quotation, and then we prepare comparative chart, on the basis of best quality and less price we put order to party.
14.	Best bid / quotation received. If comparable bids are available, disclose the price and terms offered.	We compare, on the basis of less price and best quality.	We compare, on the basis of less price and best quality.
15.	Additional cost / potential loss to the listed entity or the subsidiary in transacting with the related party compared to the best bid / quotation received.	No, There is no additional cost/ potential loss to the listed entity in transacting with the related party. To buy and sale of material to and from related party is in best interest of company and its shareholders. we received better quality and comparable price from related party	No, There is no additional cost/ potential loss to the listed entity in transacting with the related party. To buy and sale of material to and from related party is in best interest of company and its shareholders. we received better quality and comparable price from related party
16.	Where bids were not invited, the fact shall be disclosed along with the justification for the same.	NA	NA
17.	Wherever comparable bids are not available, state what is basis to recommend to the Audit Committee that the terms of proposed RPT are beneficial to the shareholders.	NA	NA
	Where the transaction relates to any loans, inter -corporate deposits, advances or investments made or given by the listed entity or its subsidiary:		
	(i) Details of the source of funds in connection with the proposed transaction	Not Applicable	Not Applicable
	(ii) where any financial indebtedness is incurred to make or give loans, inter- corporate deposits, advances or investments • nature of indebtedness; • cost of funds; and	Not Applicable	Not Applicable

	• tenure		
	applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and	Not Applicable	Not Applicable
	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable	Not Applicable
	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through the registered email address of the shareholders.	Not Applicable	Not Applicable

BOARD'S REPORT

TO
THE MEMBERS OF,
Rudra Ecovation Limited.
(Formerly Known as Himachal Fibres Limited)

Your Directors have pleasure in presenting the 44th Annual Report together with the Audited Statement of Accounts of Rudra Ecovation Limited (Formerly Known as Himachal Fibres Limited) for the year ended March 31, 2025.

1. FINANCIAL HIGHLIGHTS.

The summary of the financial performance of the Company for the financial year ended March 31, 2025 compared to the previous year ended March 31, 2024 is given below:

Particulars	(in Lacs)	
	Year Ended March 31 st 2025	Year Ended March 31 st 2024
Revenue from Operations and Other Income (Total Revenues)	2735.24	2047.50
Profit/Loss before Tax (PBT)	(350.03)	(115.64)
Tax- Current	0	0
Tax- Deferred	(21.05)	(51.59)
Profit/Loss after Tax	(328.98)	(64.05)
Other Comprehensive Income (Net of Tax)	12.49	10.57
Total Comprehensive Income	(316)	(53.48)
Earnings per Share (EPS) (in Rs.)		
(after exceptional item)		
- Basic	(0.30)	(0.07)
- Diluted	(0.30)	(0.07)

*Previous figures have been regrouped/ reclassified, wherever necessary, to confirm with the current period classification/presentation.

2. STATE OF COMPANY'S AFFAIRS :

Total Revenue from operation for the year is Rs. 2735.24 Lakhs as compared to Rs. 2047.50 Lakhs of previous year. The Net profit (Loss) after tax for the year ended March 31st, 2025 is Rs. (328.98) Lakhs as compare to Rs. (64.05) Lakhs loss for the previous year.

3. INDIAN ACCOUNTING STANDARDS

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind-AS) as notified by Ministry of Corporate Affairs (MCA) under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

4. DIVIDEND

Due to insufficient funds or suffered loss in the financial year ended March 31, 2025, the Board of directors has not recommended any dividend for the year under review.

As per Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, top 1000 listed entities based on market capitalization are required to formulate a Dividend Distribution Policy. However, your company does not fall under the purview of above regulation and hence this regulation does not apply to the Company.

5. TRANSFER TO RESERVE

The Board of your Company has decided to retain the entire amount of profits in the Reserve and Surplus Account not to transfer any amount to the General Reserves for the financial year 2024-25.

6. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there were no unpaid/unclaimed Dividend and other amounts, as prescribed under Sections 124 & 125 of Companies Act, 2013 lying with the company, therefore, the provisions of above mentioned sections do not apply to the company.

7. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT.

In pursuance to section 134(3) (L) of the Act, no material changes and commitments have occurred after the closure of the financial year to which the financial statements relate till the date of this report, affecting the financial position of the Company.

8. CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of business of the company during the year under review.

9. SHARE CAPITAL

The Authorised Share Capital of Company is Rs. 33,50,00,000 comprising Equity Share Capital of Rs. 17,50,00,000 @ Rs.1 each and 4% Non-Cumulative Redeemable Preference Share Capital of Rs. 16,00,00,000 @ Rs. 100 each.

During the financial year 2024-25, The issued, subscribed and paid up capital of the company is Rs. 23,43,68,000 comprising of Equity share Capital is Rs. 11,43,68,000 @ Rs. 1 each and Preference shares is Rs. 1200,00,000 @ Rs. 100 each.

The Subscribed/paid up /issued equity share capital of the company has been increased from 8,62,50,000 to 11,43,68000.

The details of the changes in share capital are as follows:

The Company issued and allotted 1,50,00,000 warrants at Rs. 10 each (face value of Rs. 1 and premium of Rs. 9 each) on November 08, 2023 on preferential basis, which are convertible into equity shares within a period of 18 months from the date of allotment of warrants. For which the Company was accorded approval of board of directors of the company on September 01, 2023 and shareholders' approval was accorded on September 28, 2023.

Out of 150,00,000 warrants, 140,00,000 warrants were converted into equity shares on May 25, 2024 and 10,00,000 warrants were converted into equity shares on September 10, 2024. Listing/ trading approval for these shares has been received from BSE.

During the Financial year 2024-25, Company has issued, allotted, offered warrants 2,07,65,000 of Rs. 48 each at a face value of Rs. 1 and Premium of Rs. 47 each on preferential basis on July 11, 2024 convertible into Equity shares within a period of 18 months from the date of allotment of warrants. For this the company was accorded approval of board of directors of the company on May 18, 2024 and Shareholders' approval was accorded on June 17, 2024.

Out of warrants 20765000, the warrants converted into equity shares as below:

Date of Conversion	No .of warrants converted into equity shares
27.08.2024	4705000
10.09.2024	2940000
26.09.2024	2055000
24.10.2024	2083000
10.01.2025	13,35,000

Listing/ trading approval for these shares has been received from exchange.

As on date, 7647000 warrants are still pending for conversion.

9.1 Redemption of Preference Shares

The Company has not redeemed any Preference Shares during the year under review.

9.2 Buy Back of Securities

The Company has not bought back any of its securities during the year under review.

9.3 Sweat Equity

The Company has not issued any Sweat Equity Shares during the year under review.

9.4 Bonus Shares

No Bonus Shares were issued during the year under review.

9.5 Employees Stock Option Plan

The Company has not provided any Stock Option Scheme to the employees.

10. FINANCE

10.1 Cash And Cash Equivalent

Cash and Cash equivalent as at March 31st, 2025 is Rs. 11.52 Lakh. The Company continues to focus on judicious management of working capital. Working Capital parameters are kept under strict check through continuous monitoring.

10.2 Deposits/ Fixed Deposits

During the year, Company has not accepted deposit from the public falling within the ambit of Section 73 of Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Further, the Company has not repaid any deposits to the public during the year and no deposits are remained unpaid / unclaimed as on March 31st, 2025.

10.3 Particulars of Loans, Guarantees or Investments

The Particulars of loans, guarantees or investments have been disclosed in the financial statements and the Company has duly complied with Section 186 of the Act, in relation to Loans, Guarantee and Investments, during the FY 2024-25.

Further, during the financial year 2024-25, the company Rudra Ecovation Limited has made an investment in the shares of Shiva Textfabs Limited. The company Rudra Ecovation Limited has given loan to Shiva Textfabs limited convertible into equity shares.

The company has given loan of Rs. 50 crores (approx.) to M/s Shiva Textfabs Limited which has been converted into 2339181 equity shares. The Company has subscribed for 4701755 partly paid up equity shares for this company had paid application money, 1st call and 2nd Call money.

11. HUMAN RESOURCES

Rudra Ecovation Limited is committed to hiring, developing and retaining the best minds in the industry. The Company has key internal processes and initiatives that support this vision. The Company has developed a strong employee value proposition that focuses on key pillars of challenging work that matters, hiring and retaining the right people, sustained focus on talent and leadership development, differentiated rewards to drive exceptional performance and community engagement.

Talent management is a shared responsibility between business leaders and the Human Resources function at REL, enabling a strong focus on succession planning for key roles and actively promoting internal move to drive career growth. Talent management is supported by a strong learning architecture that enables leadership and functional development. This is supported by a Positive Employee Relations (PER) strategy that aims to build an engaged and motivated workforce.

12. DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us, retain our competitive advantage.

12.1 Directors Retiring By rotation

Pursuant to provisions of Companies Act, 2013 ('The Act') and the Articles of Association of the Company and Section 152(6) of the Companies Act, 2013, Mr. Gian Chand Thakur (DIN: 07006447), Whole Time Director is liable to retire by rotation and being eligible, offers himself for re-appointment. The Nomination and Remuneration Committee and Board of Directors have recommended his re-appointment for the approval of the shareholders of the Company at the ensuing Annual General Meeting of the Company.

12.2 Changes during the Year

Board would also like to inform the members that during the year 2024-25 the following changes have been made in the Board:

During the year under review, **Ms. Kajal Rai (DIN: 07366983)**, **Mr. Anil Singla (DIN: 07404704)**, were appointed w.e.f. September 02, 2024 as Non-Executive Independent Director of the Company. Mr. Vinod Kumar Goyal (DIN: 02751391) appointed as Executive Director cum CEO of the company w.e.f. 22.07.2024.

Further, Mr. Anil Singla (DIN: 07404704) got retired from the position of Independent Director w.e.f. September 30, 2024 due to completion of his tenure. Mr. Manoj Kumar (DIN: 06872575) and Mrs. Malkeet Kaur (DIN: 07140603) Independent Director of the company resigned w.e.f. October 07, 2024 and gave declaration that there is no other reason for their resignation other than the reason mentioned in their resignation letter.

Details of Key Managerial Personnel (KMP)

Pursuant to section 203 of the Companies Act, 2013, the details of Key Managerial Personnel as on March 31, 2025 are as follows:

Name of the KMP	Designation
Gian Chand Thakur	Whole Time Director
Vinod Kumar Goyal	Executive Director and CEO
Ravi Passi	CFO
Nancy Singla	Company secretary

Further Mr. Sabestain Joseph CFO of the company has been resigned w.e.f. March 01, 2025 and Mr. Ravi Passi was appointed as a CFO of the Company w.e.f. March 25, 2025.

During the current financial year, Mr. Vinod Kumar Goyal (DIN: 02751391) was resigned as an Executive Director cum CEO of the Company w.e.f. April 30, 2025 and Mr. Akhilesh Kumar Tiwari (DIN: 11086015) was appointed as an Executive Director cum CEO of the Company w.e.f. May 09, 2025.

Mr. Surjit Singh (DIN: 07143372), Independent Director of the company has been resigned from the company w.e.f. August 13, 2025 and Mr. Dharam Veer Singh (DIN: 11060607) has been appointed as an Additional Director categorized as Independent Director w.e.f. August 13, 2025.

12.3 Declaration By Independent Directors

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Act and Regulations 16(1)(b) and 25(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI LODR Regulations"), that they are independent from the Management of the Company and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

Further, all the Independent Directors have given declarations that they complied with the provisions of Companies (Appointment and Qualifications of Directors) Rules, 2014. The Independent Directors have given declarations that they have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and the Code of Business Conduct and Ethics of the Company. The independent directors except Mr. Dharam Veer Singh (DIN: 11060607) have cleared the proficiency test conducted by the IICA. The Independent Director Mr. Dharam Veer Singh shall complete the proficiency test within due time.

Meeting of independent Director:

A separate Meeting of Independent Directors was held on Monday, December 23, 2024, interalia to discuss:

- To evaluate the performance of Non-Independent Directors, performance of the Board as a whole,
- Review the performance of the Chairman, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board Meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its Committees and Individual Directors was also discussed.
- Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

BOARD MEETINGS & ATTENDANCE OF DIRECTORS

The Board regularly meets to discuss and decide on Company, business policy and strategy apart from conducting other Board related businesses. The Board of Directors were provided with the requisite information mentioned in the Listing Regulations well before the Board meetings.

During the year under review, the Board duly met 17 (Seventeen) times. The maximum gap between any two consecutive Board meetings did not exceed 120 days. The details of the Board meeting are set out in the Corporate Governance Report which forms part of this Report.

Date of Meetings: - 14.05.2024, 18.05.2024, 25.05.2024, 11.07.2024, 22.07.2024, 13.08.2024, 27.08.2024, 02.09.2024, 10.09.2024, 26.09.2024, 07.10.2024, 24.10.2024, 14.11.2024, 23.12.2024, 10.01.2025, 13.02.2025 and 25.03.2025.

The notices of Board Meetings are given well in advance to all the Directors. The Agenda is circulated at least a week prior to the date of the meeting.

12.4 Evaluation of performance of the Board

The Company has duly approved Nomination and Remuneration Policy prescribing inter-alia the criteria for appointment, remuneration and performance evaluation of the directors. As mandated by Section 134 & 178, read with Schedule IV of the Act and Regulation 25 of the SEBI LODR Regulations, the Independent Directors in their separate meeting held on December 23, 2024 have reviewed the performance of Non-Independent Directors, Chairperson and the Board as a whole including review of quality, quantity and timeliness of flow of information between Board and Management.

Further the Board, during the year under review, has also evaluated the performance of the Board, its Committees and all Individual Directors including Chairman of the Company. The evaluation was carried out on the basis of a structured questionnaire circulated in advance to all the Directors. The Board expressed its satisfaction on the same and is of the opinion that all the independent directors of the company are persons of high repute & possess the relevant expertise & experience in their respective fields.

12.5 Board Diversity

The Company recognizes and embraces the benefits of having a diverse Board of Directors to enhance the quality of its performance. The Company considers increasing diversity at Board level as an essential element in maintaining a competitive advantage in the

complex business that it operates. The identified key skills / expertise / competencies of the Board and mapping with individual Director are provided in the 'Corporate Governance Report', which forms a part of this Report.

12.6 Board Training, Induction and familiarisation of Directors

At the time of appointing a Director, a formal letter of appointment is given, which inter-alia includes the role, function, duties and responsibilities expected from him/her as a Director of the Company and necessary documents, reports and internal policies to enable him/ her to familiarise with the Company and its procedures and practices. Periodic presentations are made at the Board, Committees, Strategy meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved etc. Updates on relevant statutory changes on important laws are periodically presented or circulated to the Board. The Directors are also explained in detail the compliances required from them under the Act, the SEBI Regulations and other relevant Laws and Regulations. Details of Familiarisation of Directors are disclosed on the Company's website and are also provided in the 'Corporate Governance Report' of the Company which forms part of this report.

13. COMMITTEES OF BOARD

As on 31st March 2025, the Board had Six Committees — the Audit Committee, the Nomination and Remuneration Committee, the Stakeholders Relationship Committee, Securities Transfer Committee, Banking and Finance Committee and Expansion and Diversification Committee. During the year, all recommendations made by the Committees were approved and accepted by the Board.

During the year Committees had been reconstituted and details of the same is provided in the Corporate Governance Report.

14. CORPORATE SOCIAL RESPONSIBILITY

Even though the provisions of Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to the company yet the Company has been, over the years, pursuing as part of its corporate philosophy, an unwritten CSR policy voluntarily which goes much beyond mere philanthropic gestures and integrates interest, welfare and aspirations of the community with those of the Company itself in an environment of partnership for inclusive development.

15. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:—

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- 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;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a going concern basis; and
- the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. CORPORATE GOVERNANCE:

The Company is committed to maintain the highest standards of Corporate Governance. We believe in adherence to good corporate practices, implementing effective policies and guidelines and developing a culture of the best management practices and compliance with the law at all levels. Our Corporate governance practices strive to foster and attain the highest standards of integrity, transparency, accountability and ethics in all business matters to enhance and retain investor trust, long-term shareholder value and respect minority rights in all our business decisions.

A Separate section on Corporate Governance as stipulated under Schedule V (C) of the SEBI Listing Regulations forms part of this Report. The Corporate Governance Report along with the requisite certificate from the Company Secretary in practice confirming compliance with the conditions of Corporate Governance as stipulated under SEBI Listing Regulations forms part of this Annual Report.

17. AUDITORS AND RECORDS

17.1 Statutory Auditors

M/s. Manjul Mittal & Associates, Chartered Accountants (Firm Registration No. 028039N) were re-appointed as the Statutory Auditors of the Company for a second term of five years from the conclusion of 41st Annual General Meeting till the conclusion of 46th Annual General Meeting. M/s. Manjul Mittal & Associates, Chartered Accountants, Statutory Auditors of the Company have submitted Auditors' Report on the financial statements of the Company for the financial year ended on March 31, 2025. The information referred to in the Auditors' Report is self explanatory and do not call for any further comments.

During the year under review, there were no frauds reported by auditors under Section 143(12) of Companies Act, 2013.

17.2 Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s Bhambri & Associates (CP No-22626), Company Secretaries to undertake the secretarial audit of the company for the financial year 2024-25. M/s Bhambri & Associates, Practising Company Secretaries, have submitted Secretarial Audit Report for the financial year ended March 31, 2025 and same is annexed herewith as 'Annexure - 1' and forms part of this Report. Information referred to in the Secretarial Auditors' Report is self-explanatory and do not call for any further comments.

Further subject to the approval of shareholders in this Annual General Meeting, M/s Bhambri & Associates (CP No-22626), Company Secretaries appointed for 5 years in board meeting held on 29.05.2025 for 5 consecutive years starting from financial year 01.04.2025 till 31.03.2030.

Annual Secretarial Compliance Report

A Secretarial Compliance Report, pursuant to regulation 24A of the SEBI LODR Regulations, for the FY 2024-25 on compliance with all applicable SEBI Regulations and circulars/ guidelines issued thereunder, shall be obtained from M/s Bhambri & Associates, Practising Company Secretaries, and shall be placed on the website of the Company and be submitted to Stock Exchanges.

17.3 Internal Auditors

Mr. Sanjay Kumar was appointed as Internal Auditor and he performed the duties of internal auditors of the company and their report is reviewed by the audit committee from time to time.

For the Financial year 2025-26 Mr. Sanjay Kumar has been re-appointed as the Internal Auditor by the Board.

17.4 Cost Records

Pursuant to the rules made by the Central Government, the maintenance of cost records has not been applicable on the Company.

17.5 Explanation on qualification/ reservation/ adverse remarks in the Auditors' Report

Members' attention is invited to the observations/Qualification made by the Statutory Auditors appearing in Independent Auditor's Report and by Secretarial Auditor in Secretarial Audit Report. The observations/Qualification made by auditors in their reports along with the management replies on them is as follows:

- a) Regarding Auditor's remark in their report in point No. 36 other Regulatory Information (ix) and Secretarial Auditor's remark in their report- *Charge ID 80036826 is pending for satisfaction beyond the statutory period*
Board's Comment: it is informed that these are the redundant charges which could not be got satisfied. The company is in continuous effort following up with the Ex Bank / Financial institutions to get the "No Due Certificate."

18. LISTING OF SECURITIES

The Securities of the Company are listed on Main Board of BSE Limited. The Company has been paid annual listing fee to exchanges for the year 2025-26.

19. COMPLIANCES WITH SECRETARIAL STANDARD ON BOARD AND GENERAL MEETINGS

During the year under review, your company has duly complied with the applicable provisions of Secretarial Standards issued by the Institute of Company Secretaries of India.

20. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

21. ANNUAL RETURN

The details forming part of the extract of the Annual Return as required under Section 92 of the Act, is available on the Company's website viz. https://rudraecovation.com/wp-content/uploads/2025/06/Form_MGT_7-For-Website.pdf

22. VIGIL MECHANISM/WHISTLE BLOWER POLICY

The company has set up vigil mechanism viz. Whistle Blower Policy to enable the employees and directors to report genuine concerns, unethical behavior and irregularities, if any, in the company noticed by them which could adversely affect company's operations. The same is reviewed by the Audit Committee from time to time. No concerns or irregularities have been reported till date. The details of the Whistle Blower Policy is posted on the website of the Company at [Microsoft Word - Whistle Blower Policy](#)

23. RISK MANAGEMENT POLICY

The Company manages monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structures, processes and behaviors together form the Risk Management Policy that governs how the company conducts its business and manages associated risks.

24. HOLDINGS, SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Holdings, Subsidiary, Joint venture or Associate Company. There were no companies which have become or ceased to be its holdings, subsidiaries, joint ventures or associate companies during the year under review.

25. RELATED PARTY TRANSACTIONS/ PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES.

All transactions entered into with Related Parties, if any, as defined under the Companies Act, 2013 during the financial year, were in the ordinary course of business and were on arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013.

There were no materially significant transactions not on arm's length with related parties during the financial year. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. The report of the Board in respect of the particular of contracts or arrangements with related parties referred to sub section (1) of Section 188 in form AOC-2 is annexed to this report in 'Annexure- 2'.

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

The Company has in place a prevention of sexual Harassment policy in line with the requirements of the sexual Harassment of Women at the Workplace (prevention, prohibition and Redressal) Act, 2013. A Sexual Harassment Committee/Internal Complaints Committee (ICC) was setup/constituted which is responsible for redressal of complaints related to sexual harassment at the workplace. The Company has zero tolerance for sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment in line with the provisions of the Sexual Harassment of Women at the workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under.

During the year 2024-25, no complaint were received/filed by the Company related to sexual Harassment.

Further, the Company has also complied with all the provisions relating to the Maternity Benefits Act, 1961

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under section 134 (3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure- 3".

28. PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Companies Act, 2013, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed to the Board's report as per 'Annexure- 4'.

29. REMUNERATION TO DIRECTORS/EMPLOYEES AND RELATED ANALYSIS

During the year under review, no employee of the Company received salary in excess of the limits as prescribed under the Act.

Accordingly, no particulars of employees are being given pursuant to Section 134 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The details pertaining to the ratio of the remuneration of each director to the median employee's remuneration and other prescribed details as required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed herewith and forms part of this report as Annexure - 4

30. NOMINATION AND REMUNERATION POLICY

In compliance with Section 178 of the Companies Act, 2013, the Nomination and Remuneration Policy of the Company has been designed to keep pace with the dynamic business environment and market linked positioning. The Policy has been duly approved and adopted by the Board pursuant to recommendations of Nomination and Remuneration Committee of the Company. The Company has Nomination and Remuneration policy in place pursuant to Companies Act, 2013 and SEBI (LODR) Regulation, 2015.

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Companies Act, 2013 and SEBI(LODR) Regulations, 2015 is enclosed herewith as 'Annexure -5'.

31. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has an effective internal control system, which ensures that all the assets of the Company are safeguarded and protected against any loss from unauthorized use or disposition.

The Internal Auditor of the Company carries out review of the internal systems and procedures. The internal audit reports are reviewed by Audit Committee.

Your Company has also put in place adequate internal financial controls with reference to the financial statements commensurate with the size and nature of operations of the Company. During the year, such controls were tested and no material discrepancy or weakness in the Company's internal controls over financial reporting was observed.

32. MANAGEMENT DISCUSSION & ANALYSIS REPORT:

In terms of Regulation 34 and schedule V of SEBI (Listing Obligations and Disclosure Requirements) regulations, 2015 a review of the performance of the company, for the year under review, Management Discussion and Analysis Report, is presented under separate section attached as **Annexure-6** forming part of this Annual Report.

33. REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/or Board under Section 143(12) of Act and Rules framed thereunder.

34. CREDIT RATING:

During the Financial Year 2024-25 no credit rating was there.

35. Training/Familiarization of Board of Directors

Your Company follows a structured orientation and familiarization programme through various reports/codes/internal policies for all the Directors with a view to update them on the Company's policies and procedures on a regular basis. Periodic presentations are made at the Board Meetings on business and performance, long term strategy, initiatives and risks involved. The details of familiarization programme have been posted in the website of the Company under the weblink [Familiarisation-Program-Independent-Directors.pdf](#)

36. Code of Conduct for Board members and Senior Management

The Board of Directors has laid down the code of conduct for all the Board members and members of the Senior Management of the Company. All the Board members and Senior Management personnel have affirmed compliance with the code of conduct. The Declaration of the same is annexed herewith in '**Annexure-7**'. The Code of Conduct is available on the website of the company.

37. ENTERPRISE RISK MANAGEMENT

The Company's Enterprise Risk Management Processes ensures that the management controls risks through means of a properly defined framework. The risks are reviewed periodically by the Whole time Director and the Chief Financial Officer through an established Enterprise Risk Management Framework and also annually by the Board of Directors.

38. GENERAL DISCLOSURES

Your Directors state that the Company has made disclosure in this report for the items prescribed in section 134(3) of the Act and Rule 8 of the Companies (Accounts) Rules, 2014 and other applicable provisions of the act and listing regulations, to the extent the transaction took place on those items during the year.

Your Directors further state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Issue of Equity Shares with differential rights as to dividend, right issue.
- Issue of Sweat Equity Shares to Employees of the Company.
- Issue of Employee Stock Options to Employees of the Company.
- Purchase of its own shares either directly or indirectly.
- Annual Report and other compliances on Corporate Social Responsibility.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future;
- Information on subsidiary, Associate and joint venture companies.
- Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).
- The Company is not required to maintain the cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under Section 148(1) of the Companies Act, 2013.

39. POLICY FOR PRESERVATION OF DOCUMENTS

The Company has formulated a Policy pursuant to Regulation 9 of the Securities Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 ("Regulations") on Preservation of the Documents to ensure safekeeping of the records and safeguard the Documents from getting manhandled, while at the same time avoiding superfluous inventory of documents.

40. ARCHIVAL POLICY

In accordance with regulation 30(8) of SEBI (Listing Obligations and Disclosures) Regulations, 2015 an archival policy has been adopted which has also been uploaded on the website of the company under the weblink www.rudraecovation.com.

41. THE DETAILS OF APPLICATION MADE OR ANY PROCEEDINGS, PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE 2016, DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF FINANCIAL YEAR.

No application has been made or any proceedings, pending under the Insolvency and Bankruptcy Code 2016, during the year along with their status as at the end of financial year is not applicable on the company.

42. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTION ALONG WITH THE REASON THEREOF.

There is no one time settlement done by the company. So the above provisions not applicable on the company.

43. NO DEFAULT TO BANKS / FINANCIAL INSTITUTIONS

The Company has not defaulted in payment of interest and / or repayment of loans to any of the financial institutions and / or banks during the year under review.

44. SCHEME OF ARRANGEMENT

The Board of Directors of the company, Subject to the requisite statutory and regulatory approvals, at its meeting held on December 23, 2024 has approved the scheme of amalgamation of Rudra Ecovation Limited (Transferor Company) with Shiva Textfabs Limited (transferee Company) and their respective shareholders and creditors.

The said Scheme duly filed with stock exchange on January 01, 2025 under section 230 to 232 read with section 66 and other applicable provisions of the Companies Act, 2013 and rules made thereunder.

Further we would like to inform you that the BSE Limited has issued Observation Letter dated August 25, 2025 with "No adverse Observation" thereby enabling the Company to proceed further in compliance with the applicable regulatory framework.

45. APPRECIATION AND ACKNOWLEDGEMENTS

The company has been very well supported from all quarters and therefore your directors wish to place on record their sincere appreciation for the support and co-operation received from Employees, Dealers, Suppliers, Central and State Governments, Bankers and others associated with the Company. Your Directors wish to thank the banks, financial institutions, shareholders and business associates for their continued support and cooperation. We look forward to receiving the continued patronage from all quarters to become a better and stronger company.

46. CAUTIONARY STATEMENT

The statements contained in the Board's Report and Management Discussion and Analysis contain certain statements relating to the future and therefore are forward looking within the meaning of applicable securities, laws and regulations. Various factors such as economic conditions, changes in government regulations, tax regime, other statutes, market forces and other associated and incidental factors may however lead to variation in actual results.

Place: Ludhiana
Dated: September 02, 2025

Sd/-
Gian Chand Thakur
Whole Time Director
DIN: 07006447

By Order of the Board
For Rudra Ecovation Limited
Sd/-
Akhil Malhotra
Non Executive Non Independent Director
DIN: 00126240

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2025
[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the
Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,
The Members,
RUDRA ECOVATION LIMITED (Formerly Himachal Fibres Limited),
Registered Office: Plot No. 43-44, Industrial Area, Barotiwala-174103 (HP)
Corporate Office: 4th Floor, Woodstock Tower, B-35/958, Ferozepur Road, Opposite Waves Mall, Ludhiana, 141008.
CIN: L43292HP1980PLC031020

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by RUDRA ECOVATION LIMITED (Formerly Himachal Fibres Limited) (CIN: L43292HP1980PLC031020) (hereinafter called the **Company**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on our verification, on test basis, 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 audit period covering the **financial year ended on 31st March, 2025** ('Audit Period') 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:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - (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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - (h) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

vi) We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with laws relating to, inter alia:

- All labour & industrial laws;
- Indian Boilers Act, 1923

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India to the extent of its applicability.
- (ii) The Listing Agreement entered into by the Company read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

1. Charge ID 80036826 is pending for satisfaction beyond the statutory period.

We further report that

The Board of Directors of the Company is duly constituted. The changes, if any, in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously or by the majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the audit period the Company has no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

Place: Ludhiana

Dated: 25.08.2025

Sd/-

(Ansh Bhambri)

Bhambri & Associates

Company Secretary in whole time practice

C.P. No. 22626

UDIN: F013356G001076990

Peer review number: 2971/2023

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE-1' and forms an integral part of this Report.

ANNEXURE-1'**The Members,****RUDRA ECOVATION LIMITED** (Formerly Himachal Fibres Limited),**Registered Office:** Plot No. 43-44, Industrial Area, Barotiwala-174103 (HP)**Corporate Office:** 4th Floor, Woodstock Tower, B-35/958, Ferozepur Road, Opposite Waves Mall, Ludhiana, 141008.**CIN: L43292HP1980PLC031020**

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected. Our report of even date is to be read along with this letter.

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

Place: Ludhiana**Dated: 25.08.2025****Sd/-****(Ansh Bhambri)****Bhambri & Associates****Company Secretary in whole time practice****C.P. No. 22626 Peer****UDIN: F013356G001076990****review number: 2971/2023**

Annexure-2**FORM NO. AOC- 2**

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto (Pursuant to clause(h) of sub-section(3)of section134 of the Act and Rule 8(2) of the Companies (Accounts)Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended on March 31st 2025, which were not at Arm's Length basis.

2. Details of material contracts or arrangements or transactions at arm's length basis:

Sr. No.	Name(s)of the related party and nature of relationship	Duration of the contracts/ arrangements/ Transactions	Salient terms of the contracts or arrangements or transactions	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:	Amount (in Rs. Lacs)
1.	Shiva Textfabs Limited	One Year	Sale	12.02.2024	-	1457.97
2.	Yogindera Worsted Limited	One Year	Sale	12.02.2024	-	74.04
3.	Shiva Speciality Yarns Limited	One Year	Sale	12.02.2024	-	3.09
4.	Shiva Textfabs Limited	One Year	Purchase	12.02.2024	-	2005.73
5.	Yogindera Worsted Limited	One Year	Purchase	12.02.2024	-	0.06
6.	Shiva Speciality Yarns Ltd.	One Year	Purchase	12.02.2024	-	3.09
6.	Yogindera Worsted Limited	One Year	Rent	12.02.2024		1.56
7.	Shiva Textfabs Limited	One Year	Rent	12.02.2024	-	0.62
8.	Remuneration to Ishani Bansal (Daughter of Mr. Akhil Malhotra Director and Promoter of Company)	-	Appointed as Marketing Director at place of Profit	13.08.2024	-	12
9.	Shiva Textfabs Limited	-	Investment in the shares of Shiva Textfabs Limited	18.05.2024	-	9627.37

**By Order of the Board
For Rudra Ecovation Limited**

Place: Ludhiana
Dated: September 02, 2025

Sd/-
GIANCHANDTHAKUR
Whole time director
DIN: 07006447

Sd/
Akhil Malhotra
Non Executive Non Independent Director
DIN: 00126240

Annexure-3**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014.

(A) Conservation of Energy–

- i. **The steps taken or impact on conservation of Energy** – Energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimize use of energy with continuous monitoring, improvement in maintenance and distribution system and through improved operational techniques.
- ii. **The steps taken by the company for utilizing alternate sources of energy: NIL**
- iii. **The capital investment on energy conservation equipments** – Due to Industry scenario and inadequate profits in previous year's company was not able to spend any money on equipments for energy conservation.

(B) Technology absorption–**i. The efforts made towards technology absorption;**

The Company is continuously endeavoring to upgrade its technology from time to time in all aspects through in-house R&D primarily aiming at reduction of cost of production and improving the quality of the product. The Company has successfully achieved results in reducing the cost of production, power consumption and improving technical efficiencies and productivity.

- ii. **The benefit derived like product improvement, cost reduction, product development or import substitution: NONE**
- iii. **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) :NONE**
 - a. The details of technology imported; Nil
 - b. The year of import; NA
 - c. Whether the technology been fully absorbed; NA
 - d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; NA
- iv. **The expenditure incurred on Research and Development:** No specific expenditure exclusively on R&D has been incurred. The indigenous technology available is continuously being upgraded to improve the overall performance of the Company.

(C) FOREIGN EXCHANGE EARNING AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows is as follows:

Particulars	2024-25	2023-24
a) Foreign Exchange Earning (Export Sales- FOB Value)	NIL	NIL
b) Foreign Exchange Outgo: Imports-Raw Material & Spares	NIL	NIL
Capital Goods	NIL	NIL
ii) Expenditure in Foreign Currency:	NIL	NIL
c) Net Foreign Exchange Earnings	NIL	NIL

By Order of the Board
For Rudra Ecovation Limited

Place: Ludhiana
Dated: September 02, 2025

Sd/-
GIANCHANDTHAKUR
Whole time director
DIN: 07006447

Sd/-
Akhil Malhotra
Non Executive Non Independent Director
DIN: 00126240

Annexure-4

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2024-25 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2024-25 are as under:

Sr. No.	Name of Director/ KMP/ Designation	Remuneration of Director/KMP for Financial year 2024-25 (Rs. In Lakh)	% increase in remuneration in the Financial year 2024-25	Ratio of Remuneration of each Director/ KMP to Median Remuneration of Employees
1	Gian Chand Thakur Whole- time Director	Nil	Nil	Nil
2	Manoj Kumar Non- Executive Non Independent Director (Resigned as on 07.10.2024)	Nil	Nil	Nil
3	Malkeet Kaur Non- Executive Independent Director (Resigned as on 07.10.2024)	Nil	Nil	Nil
4	Surjit Singh Non- Executive Independent Director (Resigned w.e.f. 13.08.2025)	Nil	Nil	Nil
5	Akhil Malhotra Non- Executive Non Independent Director	Nil	Nil	Nil
6	Bhim Sain Goyal Non- Executive Independent Director	Nil	Nil	Nil
7	Sabastian Joseph Chief Financial Officer (Resigned as on 01.03.2025)	275632	Nil	Nil
8	Vinod Kumar Goyal Executive Director cum CEO (Appointed w.e.f. 22.07.2024 and resigned as on 30.04.2025)	3790964	Nil	16.91
9	Kajal Rai Non- Executive Independent Director (Appointed w.e.f. 02.09.2024)	Nil	Nil	Nil
10	Nancy Singla Company Secretary	707992	Nil	3.02
11	Ravi Passi Chief Financial Officer (Appointed as on 25.03.2025)	-	-	-

Note: the directors appointed or resigned during the year is not comparable.

- The sitting fees paid to all the Directors of the Company for attending board meetings of the company. The sitting fees paid to directors has been excluded for the purpose of calculation of remuneration.
- the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year; Nil
- The median remuneration of employees of the Company during the financial year was ₹ 234081 (approx.)
- In the financial year, there was no increase in the median remuneration of employees.
- There were 214 Permanent employees on the rolls of company as on March 31, 2025.
- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year 2024-25 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 increase in the salary of all employees excluding managerial personnel is 0 %
 - Average increase in the remuneration of managerial personnel is 0 %
- Increase in the salary is based on the Company's performance, individual performance, inflation, prevailing industry trend and bench marks etc.

7. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF COMPANIES ACT, 2013 READ WITH RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

a. Statement showing details of top ten employees in terms of remuneration drawn:

Name of Employee	Age in years	Designation	Qualification	Nature of Employment	Experience (years)	Date of commencement of employment	Remuneration (in Rs.)	Particulars of last employment
Vinod Kumar Goyal	67	ED & CEO	MBA	Regular	45 years	22/07/2024	3790964	Trident Limited
Ratan Pal Singh Kocher	33	Chief Manager	MBA	Regular	10 years	20/08/2024	1394450	-
Ishani Bansal	33	Marketing Director	MBA	Regular	4 years	30/09/2024	1200000	-
Prakash Chander Behra	47	D.G.M.	DIPLOMA IN TEXTILE	Regular	25 years	12/06/2024	960107	-
Nancy Singla	34	CS	CS	Regular	10 years	01/01/2024	722670	-
SANJEEV KUMAR	57	MGR	DIPLOMA	Regular	25 YEAR	08/03/2021	466272	-
MUKESH	33	LABOUR OFFICER	12TH	Regular	8 YEAR	14/09/2023	396290	SIDHARTHA
PRAKASH CHANDAR PALEI	51	DSM	B.A	Regular	20 YEAR	01/07/2021	378856	PASHUPATI
Arun Kumar Dogra	43	EA	B.TECH	Regular	23 years	18/09/2024	363634	-
SHYAM RAM	60	CSO	B.A	Regular	6 YEAR	05/06/2019	336130	DRISH LTD

b. Employees employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than One Crore and Two Lakh Rupees:

There were no such employees employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than Rs. 102,00,000/-

c. Employees employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Eight Lakh and Fifty Thousand Rupees per month

There were no such employees employed for a part of the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than Rs. 8,50,000/- p.m.

d. Employees employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole –time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent was not less than two percent (2%) of the equity shares of the company:

There were no such employees employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole –time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent was not less than two percent (2%) of the equity shares of the company.

**By Order of the Board
For Rudra Ecovation Limited**

Place: Ludhiana
Dated: September 02, 2025

Sd/-
GIANCHANDTHAKUR
Whole time director
DIN: 07006447

Sd/-
Akhil Malhotra
Non Executive Non Independent Director
DIN: 00126240

Nomination and Remuneration Policy

APPLICABILITY

The policy is applicable to the Board of Directors, Key Managerial Personnel (KMP), Chief Operating Officer, and Senior Management Personnel (herein after collectively referred as Managerial Personnel) or such other persons of the Company as the committee may deems fit for that purpose.

INTERPRETATION

‘Board’ shall mean the Board of Directors of the Company, which comprising all executive, non executive, independent director and nominee director.

‘Chief Executive Officer’ means an officer of a company, who has been designated as such by it;

‘Chief Operating Officer’ shall mean an employee who has been entrusted responsibility of managing any one or more of Units of the Company.

‘Chief Financial Officer’ means a person appointed as the Chief Financial Officer of a company

‘Compliance Officer’ means “Company Secretary” of the Company.

‘Key Managerial Personnel’ in relation to a company, means—

- Managing Director, or Chief Executive Officer or manager and in their absence, a Whole-Time Director.
- Company Secretary; and
- Chief Financial Officer; and

Such other officer as may be prescribed;

‘The Company’ shall mean Rudra Ecovation Limited.

‘Executive Director’ shall mean and include Company’s Managing Director, Functional Directors, and such other Directors are in full time employment of the Company.

‘Independent Director’ shall same meaning as provide in Companies Act, 2013 read with SEBI (LODR) Regulations, 2015.

‘Non-Executive Director’ shall mean those members on Board who are not in whole time employment of the Company.

‘Senior Management Personnel’ shall mean personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management one level below the executive directors, including all functional heads.

ROLE OF THE COMMITTEE

1. The role of the Nomination and Remuneration Committee are as under:
2. To identify persons who are qualified to become directors, persons who may be appointed in senior management in accordance with the criteria and to recommend to the Board for their appointment and/or removal
3. To carry out evaluation of every director's performance
4. To establish criteria and processes for, and assist the Board and each of its Committees in their performance evaluations
5. To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees
6. To recommend/review remuneration of the Managing Director(s) and Whole time Director(s), based on their performance and defined assessment criteria.
7. To administer, monitor and formulate detailed terms and conditions of the Employees' Stock Option Scheme including
8. The quantum of options to be granted under Employees 'Stock Option Scheme per employee and in aggregate
9. The conditions under which option vested in employees may lapse in case of termination of employment for misconduct
10. The exercise period within which the employee should exercise the option and that the option would lapse on failure to exercise the option within the exercise period
11. The specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee
12. The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period
13. The procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others
14. The granting, vesting and exercising of options in case of employees who are on long leave; and the procedure for cashless exercise of options
15. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable
16. To perform such other functions as may be necessary or appropriate for the performance of its duties

IMPLEMENTATION OF POLICIES

The Committee will seek to ensure that the remuneration of executive directors (consisting of basic salary, pension benefits and benefits in kind) will be competitive with those in other comparable organizations so as to attract high caliber individuals with relevant experience. The Committee will ensure that part of the remuneration of executive directors will be based on the financial performance of the Group using predetermined targets so as to motivate and reward successful business performance in the interest of shareholders.

AUTHORITY

The Committee is authorized:

- to seek any information it requires from any employee of any company within the Group in order to perform its duties;
- to obtain, at the company's expense, outside legal or other professional advice on any matters within its terms of reference; and
- To call any member of staff to be questioned at a meeting of the Committee as and when required.

FREQUENCY OF MEETINGS

The Committee shall meet as per the requirement of Companies Act, 2013 rules made there under read with requirement of SEBI (LODR) Regulations, 2015.

PRESENCE IN ANNUAL GENERAL MEETING

The Chairperson of the Committee or, in his absence any other member of the committee as authorized shall attend the Annual General Meeting.

ANNUAL AFFIRMATION

The policy shall be disclosed in the Board Report of the Company.

CRITERIA TO EVALUATE PERFORMANCE

a) Selection Criteria for Directors

The Company shall consider the following aspects while appointing a person as a Director on the Board of the Company.

Skills and Experience: The candidate shall have appropriate skills and experience in one or more fields of finance, law, management, sales, marketing, administration, public administrative services, research, corporate governance, technical operations or any other discipline related to the Company's business.

Age Limit: The candidate should have completed the age of twenty-one (21) years and should not have attained the age of eighty (80) years. In case any director has attained age of 80 years he can be appointed as director with the permission of board.

Conflict of Interest: The candidate should not hold Directorship in any competitor company, and should not have any conflict of interest with the Company.

Directorship: The number of companies in which the candidate holds Directorship should not exceed the number prescribed under the Act or under the SEBI (LODR) Regulations, 2015 requirements.

Independence: The candidate proposed to be appointed as Independent Director, should not have any direct or indirect material pecuniary relationship with the Company and must satisfy the requirements imposed under the Act or under the SEBI (LODR) Regulations, 2015 requirements.

b) Selection Criteria for Senior Management

As per Selection Criteria Senior Management shall mean employees hired at the level of Divisional Heads and Corporate Functional Heads or equivalent positions.

The policy provides that the candidate should have appropriate qualifications, skills and experience for discharging the role. The qualifications, skills and experience of each such position shall be defined in the job description, which will be maintained by the HR function.

c) Remuneration for Directors, KMP and other Employees

The policy provides that the remuneration of Directors, KMP and other employees shall be based on the following key principles:

- **Pay for performance:** Remuneration of Executive Directors, KMP and other employees is a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goal. The sitting fee shall be paid to Non-Executive Directors to be decided by the Board from time to time.
- **Balanced rewards to create sustainable value:** The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors and employees of the Company and encourage behavior that is aligned to sustainable value creation.
- **Competitive compensation:** Total target compensation and benefits are comparable to peer companies in the textile industry and commensurate to the qualifications and experience of the concerned individual.

- **Business Ethics:** Strong governance processes and stringent risk management policies are adhered to, in order to safeguard our stakeholders' interest.

Performance Evaluation

The process approved by the Nomination and Remuneration Committee requires the Chairperson to initiate the performance evaluation process in the month of April every year. The performance evaluation is conducted based on approved criteria in the evaluation forms. The process highlights are as under:

- Board:** Each Board member completes the self-evaluation form. Independent Directors discuss the self-evaluation forms in a separate meeting and share their feedback with the Chairperson of the Company. The Chairperson discusses with the entire Board at the Board Meeting.
- Committees:** Each Committee member completes the self-evaluation form and shares feedback with the Chairperson of the Committee. The Chairperson of the Committee discusses the evaluation form analysis with the Managing Director and later with the entire Board at the Board Meeting.
- Chairperson and Executive Directors:** Each Board member completes the peer evaluation form. Independent Directors discuss the peer evaluation forms in a separate meeting and share their feedback with the Chairperson. The Chairperson conveys feedback individually to the concerned Directors.
- Independent Directors:** Each Board member completes the peer evaluation and shares feedback with the Chairperson. The Chairperson conveys feedback individually to the concerned Directors.

AMENDMENT

The member of the Nomination and Remuneration Committee of the Company has the right to amend or modify this policy in whole or in part, at any time without assigning any reason, whatsoever.

Annexure-7

Declaration by the Whole time Director under the Listing Regulations regarding compliance with Code of Conduct Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby certified that all Board Members and Senior Management personnel have affirmed compliance with the Company's Code of Conduct for the financial year ended March 31st 2025.

Place: Ludhiana
Date: 02.09.2025

Sd/-
Gian Chand Thakur
Whole Time Director
DIN:07006447

CORPORATE GOVERNANCE REPORT

This Report of Corporate Governance form part of the Annual Report.

1. Company's Philosophy on Corporate Governance

Your Company continues to practice the principle of good Corporate Governance. It is Company's firm belief that good CORPORATE GOVERNANCE is a key to success of business. The Company's philosophy envisages managing the company's affairs in fair and transparent manner with accountability in its operations so that Company's goal of creation and maximization of wealth of the shareholders could be achieved.

Moreover, Good corporate Governance practices ensure that Company gain as well as retain the trust of Shareholders. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as "Listing Regulations") incorporate certain mandatory disclosure requirements which are required to be made with regard to Corporate Governance (Part C of Schedule V). Accordingly, we are pleased to report on the Corporate Governance as hereunder:

2. Board of Directors

a. Board Composition:

Your Management believe that well informed and Independent Board is necessary to ensure High Standard of Corporate Governance. The Board oversees the Management's functions and protects the long term interest of all the stakeholders. The Listing Regulations prescribes that the Board of the Company should have the optimum combination of Executive and Non-Executive Directors with at least one Women Director. Besides, where the nonexecutive Chairperson is promoter of the listed entity or is related to any promoter then atleast half of the Board of Directors should consist of Independent Directors. The Company is in compliance with the Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter referred to as: LODR Regulations), pertaining to composition of Board.

The composition of Board and category of Directors as on 31st March, 2025 are as follows:-

Name of Directors	Category
Gian Chand Thakur	Whole-Time Director
*Manoj Kumar	Non-Executive Non- Independent Director
Akhil Malhotra	Non-Executive Non- Independent Director
*Malkeet Kaur	Non-Executive Independent Director
Surjit Singh	Non-Executive Independent Director
Bhim Sain Goyal	Non-Executive Independent Director
#Kajal Rai	Non-Executive Independent Director
@Vinod Kumar Goyal	Executive Director Cum CEO

Note: 1. * Mr. Manoj Kumar and Ms. Malkeet Kaur resigned from their respective position of Independent directors w.e.f. 07.10.2024.

2. # Ms. Kajal Rai has appointed w.e.f. 02.09.2024 as an Independent Director in the Company.

3. @ Mr. Vinod Kumar Goyal has appointed w.e.f. 22.07.2024 as executive Director cum CEO and subsequently he is resigned from his position w.e.f. 30.04.2025

b. Number of Board Meetings and dates on which held:

During 2024-25, the Board met Seventeen (17) times on 14.05.2024, 18.05.2024, 25.05.2024, 11.07.2024, 22.07.2024, 13.08.2024, 27.08.2024, 02.09.2024, 10.09.2024, 26.09.2024, 07.10.2024, 24.10.2024, 14.11.2024, 23.12.2024, 10.01.2025, 13.02.2025 and 25.03.2025.

The maximum gap between two Board meetings was less than one hundred twenty days.

c. Attendance of Directors at the meeting of the board of directors and the last Annual General meeting and Details of Other Directorships/ Committee Memberships:

The information with regard to composition and attendance of Board of Directors in Board Meetings and the last Annual General Meeting, outside Directorships and other Memberships of Board Committees as on 31st March, 2025 as applicable is given

hereunder:

Sr. No.	Name of Director	Category	No. of Board Meetings attended	Attendance at the last AGM held on 30.09.2024	*Total No. of Directorships in other Public Companies	Directorship in other Listed Entities		#No. of Committee position held in other Public Companies		No. of shares held
						Name	Category	Chairman	Member	
1.	Gian Chand Thakur	Whole-Time Director	17	Yes	-	-	-	-	-	-
2	Manoj Kumar (resigned w.e.f. 07.10.2024)	Non-Executive Non-Independent Director	10	Yes	-	-	-	-	-	-
3.	Akhil Malhotra	Non-Executive Non-Independent Director	17	Yes	3	-	-	-	1	500,000
					Shiva Texfabs Limited					
					Yogindera Worsted Limited					
					Shiva Speciality Yarns Limited					
4.	Malkeet Kaur (resigned w.e.f. 07.10.2024)	Non-Executive Independent Director	10	Yes	-	-	-	-	-	-
5.	Surjit Singh	Non-Executive Independent Director	17	Yes	3 Indian Yarn Ltd Yogindera Worsted Limited Shiva Speciality Yarns Ltd.	-	-	-	2	-
6.	Bhim Sain Goyal (appointed w.e.f. 23.11.2023)	Non-Executive Independent Director	08	Yes	-	-	-	-	-	-

7.	Vinod Kumar Goyal (appointed w.e.f. 22.07.2024)	Executive Director cum CEO	12	Yes	-	-	-	-	-	-
8.	Kajal Rai (appointed w.e.f. 02.09.2024)	Non-Executive Independent Director	09	Yes	1 Shiva Texfabs Limited	Ritesh International Limited	Independent Director	1	2	-

Note: *Total no. of directorship does not include directorships of private limited companies, Section 8 companies and companies incorporated outside India.

Chairmanship/membership of Board Committees shall include only Audit Committee and Stakeholders' Relationship Committee as per Regulation 26(1)(b) of Listing Regulations.

d. Number of other Board of Directors or Committee in which Directors are member or chairperson:

The information regarding the other Board of Directors or Committees in which Directors are member or chairperson as on 31st March, 2025, is already given in the table given in Para C above.

None of the Director holds Directorship in more than twenty Companies and is Director of more than ten public limited companies as prescribed under the Companies Act, 2013. Further, as per Regulation 17(A) of SEBI LODR (Amendment) Regulations, 2018 mandate that a person does not act as Director of more than seven listed entities and an independent director of more than seven listed entities.

None of the director is a member of more than Ten (10) Board level Committees or is Chairperson of more than Five (5) such Board level Committees as required under Regulation 26(1) of SEBI LODR Regulations, 2015.

e. Disclosure of relationships between directors inter-se:

None of the Directors are related to any other director within the meaning of Section 2(77) of the Companies Act, 2013.

The independent Directors do not have any material pecuniary relationship or transactions with the Company, its Directors and its senior management personnel which may affect their independence, except for the Sitting fees, drawn for attending the meetings of the Board and Committee(s) thereof.

f. No. of Shares and Convertible Instruments held by non-executive directors:

Mr. Akhil Malhotra who is chairman and Non-Executive promoter and director of the Company is holding 500,000 equity shares of the Company. No shares held by other Non- executive directors of the Company.

g. Web link of Familiarization Programs:

The details of Company's Policy on Familiarization Programs for Independent Directors are posted on the website of the Company. The web link of the same is as follows:

<https://rudraecovation.com/wp-content/uploads/2024/05/Familiarisation-Program-Independent-Directors.pdf>.

h. Board-skills/expertise/competencies

The Company's Board comprises qualified members who bring in the required skill/Expertise that allow them to make effective contribution to the Board and its Committees. Pursuant to Regulation 34(3) read with Schedule V Part © (2)(h) of Listing Regulations, the Board of Directors has identified the following requisite skills/ expertise and competencies required in the context of Company's business and sector to function effectively.

Sr. No.	Core Skills/ Expertise / Competencies
1.	Leadership Skill
2.	Industry knowledge and Experience
3.	Managerial and Entrepreneurial Skills
4.	Governance
5.	Financial Management
6.	Risk Management

7.	Information Technology
8.	Operational Skill
9.	Sales and Marketing skill

A Chart matrix setting out the skill/ expertise/ competency currently available in the Board: A table showing details of Skill/ Expertise actually available with the Directors of the Company.

Name of Directors	Leadership	Industry knowledge and Experience	Managerial and Entrepreneurial Skills	Governance	Financial Management	Risk Management	Information Technology	Operational Skill	Sales and Marketing skill
Gian Chand Thakur	✓	✓	✓	✓	✓	✓	✓	✓	✓
*Manoj Kumar	–	✓	✓	✓	✓	✓	✓	✓	–
Akhil Malhotra	✓	✓	✓	✓	✓	✓	✓	✓	✓
*Malkeet Kaur	✓	✓	✓	✓	✓	✓	✓	✓	–
Surjit Singh	–	✓	✓	✓	✓	✓	✓	✓	✓
Bhim Sain Goyal	✓	✓	✓	✓	✓	✓	✓	✓	✓
Vinod Kumar Goyal	✓	✓	✓	✓	✓	✓	✓	✓	✓
Kajal Rai	✓	✓	✓	✓	✓	✓	✓	✓	✓

Note: * Mr. Manoj Kumar (DIN: 06872575), Non Executive Non Independent Director and Ms. Malkeet Kaur (07140603), Non Executive Independent Director has been resigned from his position w.e.f. October 07, 2024

i. Independent Directors:

The term Independent Director has been defined under Section 149 of the Companies Act, 2013 and Rules framed there under and Regulation 16 of the Listing Regulations.

Confirmation of Independent Directors and their Registration with Databank: Based on the disclosures received from all the Independent Directors and also in the opinion of the Board, the Independent Directors meet the criteria of 'Independence' specified in the Regulation 16(1) of the LODR Regulations and section 149(6) of the Companies Act, 2013 and rules framed there under and are independent of the management as required under Regulation 25 of the LODR Regulations.

The Company has complied with the provisions with respect to appointment and term of appointment of Independent Directors which are consistent with the Act and Listing Regulations. The Independent Directors on the Board of the Company are given formal appointment letter inter alia containing the terms of appointment, role, duties and responsibilities etc. The terms and conditions of appointment are disclosed on the website at <https://rudraecovation.com/wp-content/uploads/2024/05/Terms-Conditions-of-Appointment-of-Independent-Director.pdf>

Reason of Resignation of Independent Director: Ms. Malkeet Kaur (DIN: 07140603) Non Executive Independent Director of the company resigned from the post of Independent Director and membership and chairmanship of various committees w.e.f. October 07, 2024. The resignation was purely on account of personal reason and other professional commitments and there are no other material reasons other than mentioned hereinabove.

During the year under review, Mr. Anil Singla (DIN: 07404704), Non Executive Independent Director of the company has retired from the company due to completion of his tenure as Additional director (Independent Director) of the Company on September 30, 2024.

Pursuant to Clause C(2)(j) of Schedule V read with Regulation 34(3) of Listing Regulations, requirement of providing the detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons is provided by the resigning director.

As per the provisions of the Companies Act, 2013 and the rules made thereunder the Independent Directors are required to hold at least one meeting in a year without the attendance of Non Independent Directors and members of Management.

We are pleased to report that the Company's Independent Directors met on December 23, 2024 without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the meeting. At the Meeting, they-

- i. Reviewed the performance of non-independent directors and the Board as a whole;
- ii. Reviewed the performance of the Chairperson of the Company, taking into account the views of Executive Director and Non-Executive Directors;
- iii. Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

Further, it is confirmed that in the opinion of the Board, the Independent directors fulfill the conditions specified in these regulations and are independent of the Management.

3. BOARD COMMITTEES

The Board has constituted Audit committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee, Securities Transfer Committee, Banking and Finance Committee and Expansion and Diversification Committee which helps the Board in good Corporate Governance. The recommendations of the committees are submitted to the Board for their consideration and approval. During the year under review, all recommendations of the committees were approved by the Board.

1. Audit Committee

- a. **Brief Description of Terms of Reference:** The Board has constituted an independent and qualified Audit Committee. The term of reference of the Audit Committee is as per Part C of Schedule II of SEBI LODR Regulations, 2015 and Section 177(4) of the Companies Act, 2013.

- b. **Composition:** The Audit committee has been reconstituted w.e.f. 07.10.2024.

The Audit Committee comprises of three Directors under the chairmanship of Mr. B.S. Goyal, who is an Independent Director. Mr. Akhil Malhotra, Non Executive Non Independent Director, Member of the Audit Committee, Ms. Malkeet Kaur, Independent Director ceased to be member of the Audit Committee w.e.f. 07.10.2024 and Ms. Kajal Rai(DIN: 07366983), Independent Director joined as a member of Audit Committee w.e.f. 07.10.2024.

Accordingly, Mr. B.S. Goyal is financially literate and has required accounting and financial management related expertise. Mr. Akhil Malhotra has more than 35 years of experience in corporate, financial and accounting matters. Ms. Kajal Rai has more than 15 years of experience in company law, management, financial and accounting matters.

The statutory Auditors, Internal auditors and Chief Financial Officer are also invited in a meeting as special invitee as and when required. The Company Secretary acts as a Secretary of the Committee.

The Primary objective of Audit Committee is to monitor and provide an effective supervision on the Management financial reporting process, to ensure timely and accurate disclosure. Besides, the committee also oversees the work of internal and statutory auditors.

- c. **Meetings and Attendance:** During the financial year 2024-25, the Committee met 9 times i.e. on 14.05.2024, 18.05.2024, 25.05.2024, 13.08.2024, 02.09.2024, 14.11.2024, 23.12.2024, 13.02.2025 and 25.03.2025 for reviewing and adopting the quarterly un-audited / audited financial results as well as the financial statements before recommending the same to the Board of Directors for their perusal and adoption. The attendance record of the Audit Committee Members at the Meetings during the year 2024-25 is as under:

Sr. No.	Name of Member	Category	Designation	No. of Meetings eligible to attend	No. of Meetings attended
1.	Mr. Bhim Sain Goyal	Independent Director	Chairperson	9	9
2.	Mr. Akhil Malhotra	Non-Executive Director	Member	9	9
3.	*Ms. Malkeet Kaur	Independent Director	Member	5	5
4.	#Ms. Kajal Rai	Independent Director	Member	4	4

*Ms. Malkeet Kaur has been resigned as committee member w.e.f. 07.10.2024

Ms. Kajal Rai has been introduced as committee member of audit committee w.e.f. 07.10.2024

The meetings of the Audit Committee are/ were also attended by the Chief Financial Officer as special Invitees as and when required. The Chairman of the Audit Committee (Mr. Bhim Sain Goyal) attended the last Annual General Meeting to answer the shareholders' queries. The Company Secretary acts as the Secretary of the Committee.

2. Nomination and Remuneration Committee

a. Brief Description of Terms of Reference:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the Board constituted the Nomination and Remuneration Committee. The broad term of reference of the Nomination and Remuneration Committee is as per the requirements of Part D of Schedule II of SEBI LODR Regulations, 2015 read with Section 178 of the

Companies Act, 2013. The Committee identifies the persons who are suitable and qualified enough to become directors and who may be appointed in senior management category in accordance with the criteria laid down and recommend to the Board their appointment and removal. It carries out evaluation of every director's performance. The Committee also ensures that Company's remuneration policies in respect of Managing Director, Key Managerial Personnel and Senior Executives are competitive so as to recruit and retain best talent in the Company. It also ensures that appropriate disclosure of remuneration paid to the Directors, Managing Director, KMP and Senior Executives as per the applicable provisions of the Companies Act, 2013 and also devises a policy on "Diversity of Board of Directors".

b. Composition:

The composition of Nomination and Remuneration Committee has been changed w.e.f 07.10.2024. The Committee consists of three Directors namely; Mr. Surjit Singh, Non Executive Independent Director, Chairperson of the Committee, Mr. Bhim Sain Goyal, Non Executive Independent Director and Mr. Akhil Malhotra Non Executive Non Independent Director, Members of the committee.

Ms. Malkeet Kaur, Non Executive Independent Director ceased to be chairperson of committee w.e.f. 07.10.2024 and Mr. Manoj Kumar, Non Executive Non-Independent Director ceased to be members of the Committee w.e.f 07.10.2024.

Mr. Bhim Sain Goyal, Non Executive Independent Director and Mr. Akhil Malhotra Non Executive Non Independent Director Joined as a member of the Committee w.e.f. 07.10.2024.

c. Meetings and Attendance: The Nomination and Remuneration Committee met five times during the year i.e. 25.05.2024, 22.07.2024, 13.08.2024, 02.09.2024, 25.03.2025. The attendance record of the meetings held during the year 2024-25 is as under:

Sr. No.	Name of Member	Category	Designation	No. of Meetings eligible to attend	No. of Meetings attended
1.	Ms. Malkeet Kaur	Non Executive Independent Director	Chairperson	3	3
2.	Mr. Surjit Singh	Non Executive Independent Director	Chairperson	5	5
3.	Mr. Manoj Kumar	Non Executive Non-Independent Director	Member	3	3
4.	Mr. Bhim Sain Goyal	Non Executive Independent Director	Member	2	2
5.	Mr. Akhil Malhotra	Non Executive Non-Independent Director	Member	2	2

Company Secretary acts as a Secretary of the Committee.

d. Performance Evaluation criteria for independent directors:

The Nomination and Remuneration Committee, as part of the Nomination and Remuneration Policy, has formulated criteria and specified the manner of effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board or/and by the Committee and effective evaluation of performance of key managerial personnel and senior management; and reviews its implementation and compliance.

During the financial year 2024-25, the Directors evaluated the performance of Non-Independent Directors of the Board and post review of the performance on several criteria including attendance, participation at the meetings, qualification, experience, etc. as mentioned under Nomination and Remuneration Policy and found that their overall performance was good. The Directors appreciated the executive management for its receptiveness to the calls for strong corporate governance, internal controls and compliances.

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

e. Remuneration of directors:

The policy provides that the remuneration of Directors, KMP and other employees shall be based on the following key principles:

- **Pay for performance:** Remuneration of Executive Directors, KMP and other employees is a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goal. The sitting fee shall be paid to Non-Executive Directors to be decided by the Board from time to time.
- **Balanced rewards to create sustainable value:** The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors and employees of the Company and encourage behavior that is aligned to sustainable value creation.
- **Competitive compensation:** Total target compensation and benefits are comparable to peer companies in the textile industry and commensurate to the qualifications and experience of the concerned individual.
- **Business Ethics:** Strong governance processes and stringent risk management policies are adhered to, in order to safeguard our stakeholders' interest.

Executive Directors shall be eligible for remuneration, as may be approved by the shareholders of the Company on the recommendation of the NRC Committee and the Board of Directors. If in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Executive Directors in accordance with the provisions of the Companies Act, 2013.

Mr. Gian Chand Thakur has not withdrawn any salary due to inadequate profits in the company. He received Rs. 24000 as sitting fees for attending board meeting during the financial year. He was reappointed in company for a term of five consecutive years w.e.f. 01.10.2021-30.09.2026

The Non-Executive Directors do not draw any remuneration from the company except the sitting fees for each meeting of the Board/Committee of the Board attended by them during the financial year.

The Sitting fees paid to each director for attending the meeting of the Board during the financial year as below:

Name of Director	Designation	Sitting Fees
Gian Chand Thakur	Whole Time Director	24000
Vinod Kumar Goyal	Executive Director	16500
Akhil Malhotra	Non-Executive Non Independent Director	24000
Manoj Kumar (Resigned w.e.f. 07.10.2024)	Non-Executive Non Independent Director	15000
Bhim Sain Goyal	Non-Executive Independent Director	12000
Surjit Singh	Non-Executive Independent Director	24000
Malkeet Kaur (Resigned w.e.f. 07.10.2024)	Non-Executive Independent Director	15000
Kajal Rai (Appointed w.e.f. 02.09.2024)	Non-Executive Independent Director	12000

The tenure of office of the Independent Director is for five years from the respective date of appointment and can be re-appointed for other term of years and same can be terminated by either party by giving three months' notice in writing. There is no separate provision for payment of severance fees.

None of the Non Executive Directors has been granted any stock option by the Company.

3. Stakeholder Relationship Committee:

- a. **Brief Description of Terms of Reference:** Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI LODR Regulations, 2015, the Board has constituted Stakeholders' Relationship Committee. The Committee looks into the complaints/grievances of shareholders in respect of transfer of shares, Non receipt of Dividend, Share Certificates, Dematerialisation and Annual Reports etc. and recommends measures for improving the quality of investor service. The committee also oversees the performance of M/s **BEETAL Financial & Computer Services Pvt Ltd.** the **Registrar and Transfer Agent** of the Company. The main objective the committee is to assist the Board and Company in maintaining healthier relationship with all stakeholders.

Composition: The Committee consists of three directors under the Chairmanship of Mr. Surjit Singh, Non Executive Independent Director, Mr. Gian Chand Thakur, Executive Director and Ms. Kajal Rai, Non Executive Independent Director are the other two members of the Committee as on 31 March 2025.

Further, Ms. Malkeet Kaur, Non Executive Independent Director ceased to be member of committee w.e.f. 07.10.2024 and Ms. Kajal Rai joined as a member of the committee w.e.f. 07.10.2024

- b. **Meetings and Attendance:** The Committee met once on 02.09.2024 during the year under review. The attendance record for the meetings held during the year 2024-25 is as under:

c.

Sr. No.	Name of Member	Category	Designation	No. of Meetings held	No. of Meetings attended
1.	Mr. Surjit Singh	Non Executive Independent Director	Chairperson	1	1
2.	Ms. Malkeet Kaur	Non Executive Independent Director	Member	1	1

3.	Mr. Gian Chand Thakur	Whole Time Director	Member	1	1
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Company Secretary acts as a Secretary of the Committee.

- d. **Name and designation of the Compliance officer:** Nancy Singla, Company Secretary is the Compliance officer of the Company. The Compliance Officer can be contacted for any investor related matters relating to the Company at the dedicated email id i.e. hfl.corporate@gmail.com

- e. **Details of Investors' complaints received/ resolved/not solved to the satisfaction of shareholders/pending:**
Details of the status of the Complaints received during the year in the following statement:

S. No	Received	Resolved	Pending
Complaints	Nil	Nil	Nil

4. Other Committee Details:

In order to smoothen the operation of the company, the power of Board has been delegated by forming committees with specific purposes.

The composition of committee as on 31.03.2025 is as below:

COMMITTEE NAME	MEMBERS	Category	NO OF MEETINGS
SECURITIES TRANSFER COMMITTEE	Mr. Surjit Singh (Chairperson) Mr. Gian Chand Thakur (Member) Mr. Manoj Kumar (Member) (Ceased to be member of committee w.e.f. 07.10.2024) Mr. Vinod Kumar Goyal (Member) (Become member of committee w.e.f. 07.10.2024)	Non Executive Independent Director Whole Time Director Non Executive Non- Independent Director Executive Director	9
BANKING & FINANCE COMMITTEE	Mr. Surjit Singh (Chairperson) Mr. Gian Chand Thakur (Member) Mr. Manoj Kumar (Member) (Ceased to be member of committee w.e.f. 07.10.2024) Mr. Vinod Kumar Goyal (Member) (Become member of committee w.e.f. 07.10.2024)	Non Executive Independent Director Whole Time Director Non Executive Non- Independent Director Executive Director	1
EXPANSION AND DIVERSIFICATION COMMITTEE	Mr. Akhil Malhotra (Chairperson) Mr. B.S. Goyal (Member) Mr. Gian Chand Thakur (Member)	Non Executive Non- Independent Director Non Executive Independent Director Whole Time Director	1

During the year 2024-25, Securities Transfer committee met Nine times i.e. 25.05.2024, 11.07.2024, 22.07.2024, 27.08.2024, 10.09.2024, 20.09.2024, 26.09.2024, 24.10.2024, and 10.01.2025. All the members of committee attended the meeting.

Banking and finance committee meeting held on 14.01.2025 and all the members of committee attended the meeting.

Expansion and Diversification Committee meeting held on 21.02.2025 and all the members of committee attended the meeting.

4. General Body Meetings

a. Location and time where last three annual General meetings held: Details of Annual General Meetings held during last three years:

Year	Date	Time	Venue	Whether Special Resolution Passed	Special resolution Passed
2023-24	30.09.2024	01:00 P.M.	Through Video Conferencing (VC) / Other Audio Visual Means (OAVM)	yes	<p>APPOINTMENT/ CHANGE IN DESIGNATION OF MR. VINOD KUMAR GOYAL (DIN: 02751391) TO AN EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER OF THE COMPANY.</p> <p>TO ADOPT THE NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY</p> <p>TO APPROVE RELATED PARTY TRANSACTION(S) TO BE ENTERED INTO DURING THE FINANCIAL YEAR 2024-25.</p> <p>POWER TO BORROW FUNDS UNDER SECTION 180 (1)(c) OF THE COMPANIES ACT, 2013.</p> <p>TO MAKE INVESTMENTS, GIVE LOANS, GUARANTEES AND PROVIDE SECURITIES IN EXCESS OF THE LIMITS SPECIFIED UNDER SECTION 186 OF THE COMPANIES ACT, 2013</p> <p>TO APPOINT/CHANGE IN DESIGNATION OF MR. ANIL SINGLA TO AN INDEPENDENT DIRECTOR OF THE COMPANY.</p> <p>TO APPOINT/CHANGE IN DESIGNATION OF MRS. KAJAL RAI TO AN INDEPENDENT DIRECTOR OF THE COMPANY</p> <p>TO APPOINT OR TO HOLD OFFICE OR PLACE OF PROFIT IN THE COMPANY BY MRS. ISHANI BANSAL.</p>
2022-23	28.09.2023	05:00 P.M.	Registered office of the company at Plot No. 43-44, Industrial Area, Barotiwala-174103(Himachal Pradesh)	yes	<p>ISSUE OF WARRANTS CONVERTIBLE INTO EQUITY SHARES TO THE PROPOSED ALLOTTEES, ON A PREFERENTIAL BASIS</p>
2021-22	14.09.2022	4:30 P.M.	Registered office of the company at Plot No. 43-44, Industrial Area, Barotiwala-174103 (Himachal Pradesh)	yes	<p>RESOLUTION PASSED TO TAKE APPROVAL UNDER SECTION 180(1)(A) OF COMPANIES ACT, 2013</p>

b. Whether any Special Resolution passed last year through postal ballot.

No Special Resolution was passed during the financial year ended 31.03.2025 through postal ballot.

c. Person who conducted the postal ballot exercise: Not applicable as no special resolution was passed during the financial year ended 31.03.2025 through postal ballot.

d. **Whether any special resolution is proposed to be conducted through postal ballot.** Presently, no Special Resolution is proposed to be conducted through postal ballot.

e. **Procedure for postal ballot.** Whenever any special resolution will be conducted through postal ballot, the procedure for postal ballot shall be as per the applicable provisions of Companies Act, 2013 read with SEBI LODR Regulations, 2015.

Extra Ordinary General Meeting: Extra Ordinary General Meeting held on 17.06.2024 at 3:30 P.M. at Corporate office of the company at 4th Floor, wood stock tower, B-35/958, Adarsh Nagar, Ferozepur Road, Opposite Waves Mall, Ludhiana-141012,

The following agendas were discussed at the EGM through Special Resolution

Issue of Warrants Convertible Into Equity Shares To The Proposed Allottees on A Preferential Basis (Special Resolution)

To Enter Into Related Party Transaction (Special Resolution)

To Make Investments Under Section 186 Of The Companies Act, 2013(Special Resolution)

5. MEANS OF COMMUNICATION

a. **Quarterly Results:** The Company's quarterly results in the format prescribed by the Listing Regulations, are approved and taken on record by the Board within the prescribed period under the Regulations and submitted immediately by uploading on the website of BSE Limited, on which the Company's shares are listed.

b. **Newspapers wherein results normally published:** The financial results of the Company are published in leading News Paper i.e. Business Standard in English and Hindi and also displayed on Company's website: www.rudraecovation.com.

c. **Any website, where displayed:** The Company's Quarterly, Half yearly and Annual Results are also displayed on the website of the Company i.e. www.rudraecovation.com. The Quarterly and Annual Financial Statement along with the Balance Sheet, Profit & Loss Account, Directors' Report, Auditors' Report, Cash Flow Statement, Corporate Governance Report, Report on Management Discussion and Analysis and Shareholding Pattern etc. can also be retrieved by the investors from the website of the Company, BSE Limited.

d. **Whether it also displays official news releases:** Whenever any official news is released, the same is also displayed on the Company's website i.e. www.rudraecovation.com.

e. **Presentations made to institutional investors or to the analysts:** Whenever any presentation about Company's working is made to the Financial Institutional Investors or to the Analyst, the same is displayed on the Company's Website i.e. www.rudraecovation.com.

6. GENERAL SHAREHOLDER INFORMATION

a. Annual General Meeting:

Number of General Meeting	44 th Annual General Meeting
Date & Time	September 30, 2025 at 01:00 P.M.
Venue	The Company is conducting the Meeting through Video Conferencing/Other Audio Visual Means as permitted by Ministry of Corporate Affairs. Hence, the venue of the Meeting shall be deemed to be the registered office of the Company. For details please refer to the Notice of this AGM.

b. **Financial Year:** Financial year of the Company comprises of twelve months i.e. 1 April, 2024 to 31 March, 2025

c. **Date of Book Closure:** 24th September, 2025 to 30th September, 2025 (both days inclusive)

d. **Name and address of Stock Exchanges at which the securities of the Company are listed:** The BSE Limited (BSE) 25th Floor, P. J. Towers, Dalal Street, Fort Mumbai – 400 001.

e. **Listing fee for the financial year:** Listing fees for the financial year 2025-2026 has been paid to the stock exchange. The Equity shares of the Company have not been suspended from trading.

f. **Stock Code:** stock code is **514010**.

International Securities Identification Number (ISIN) for NSDL and CDSL: **INE723D01021**

g. Market Price Data:

Monthly High and Low quotations as well as the volume of the equity shares of the company traded for the year 2024-2025 based upon BSE Price data is given below:

Month	High Price	Low Price	Close Price	No. of Shares	No. of Trades	BSE Sensex
Apr-24	46.95	36.66	45.11	6282569	6283	74482.78
May-24	59.23	44.2	54.8	11725487	10627	73961.31
Jun-24	61.71	52.79	57.14	7206018	3628	79032.73
Jul-24	75	58.95	71	15066816	9141	81741.34
Aug-24	74.44	64.08	69.1	5357072	6894	82365.77
Sep-24	82.64	67.5	68.6	4521383	6986	84299.78
Oct-24	69.84	57	64.57	4526813	4757	79389.06
Nov-24	75.75	55.7	59.01	3097552	9255	79802.79
Dec-24	64.9	54.3	59.57	6296358	11637	78139.01
Jan-25	75.88	54.36	56.86	5155547	14249	77500.57
Feb-25	66.7	42.37	42.84	4194417	8576	73198.1
Mar-25	46.5	39.5	41.32	9267912	9357	77414.92

h. Registrar to an issue and share transfer agents:

Shareholders may contact the Company's Registrar and Share Transfer Agent (for both physical and demat segments) at the following address for any assistance regarding dematerialization of shares, share transfers, transmission, change of address, non-receipt of annual report and any other query relating to the shares of the Company:

BEETAL Financial& Computer Services Pvt Ltd.

BEETALHOUSE, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukh Dass Mandir, New Delhi-110062 Ph. 011-29961281-283 Fax 011-29961284, Email: beetalrta@gmail.com

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant.

i. Share Transfer System In terms of the Listing Regulations, equity shares of the Company can only be transferred in dematerialized form. Requests for dematerialization of shares are processed and confirmation thereof is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL), within the statutory time limit from the date of receipt of share certificates/ letter of confirmation after due verification.

Further, SEBI vide its circular dated January 25, 2022, mandated that all service requests for issue of duplicate certificate, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, subdivision/ splitting/consolidation of certificate, transmission and transposition which were allowed in physical form should be processed in dematerialized form only. The necessary forms for the above request are available on the website of the Company i.e. <https://rudraecovation.com/wp-content/uploads/2024/08/Untitled.pdf>. Shareholders holding shares in physical form are advised to avail the facility of dematerialization. Shareholders should communicate with **BEETAL Financial& Computer Services Pvt Ltd**, the Company's Registrars & Share Transfer Agent at beetalrta@gmail.com quoting their folio number or Depository Participant ID and Client ID number, for any queries relating to their securities. SEBI vide its circular dated January 25, 2022, mandated that all service requests for issue of duplicate certificate, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, subdivision/splitting/consolidation of certificate, transmission and transposition which were allowed in physical form.

j. Distribution of Shareholding as on 31st March, 2025:

Shareholding	Holders	Percentage%	No of shares	Percentage%
UP TO 5000	13953	90.93	10239548	8.95
5001 TO 10000	599	3.90	4525259	3.96
10001 TO 20000	348	2.27	5115473	4.47
20001 TO 30000	108	0.70	2742777	2.40
30001 TO 40000	60	0.39	2147270	1.88
40001 TO 50000	55	0.36	2554075	2.23
50001 TO 100000	89	0.58	6691740	5.85
100001 TO 200000	55	0.36	7717656	6.75
200001 AND ABOVE	78	0.51	72634202	63.51
Total	14847	100	114368000	100

k. Shareholding Pattern as on March 31, 2025

Sr. No.	Shares Held by	No. of share holders	No. of shares	Percentage of holding
1.	Promoters and Promoters group			
	Indian/ Huf	3	75,00,000	6.56
	Body Corporate	2	82,91,500	7.25
2.	Non Promoter Shareholding:			
	Mutual Fund	3	28500	0.02
	Alternate Investment Funds	2	7787206	6.81
	Other Financial Institution	1	116000	0.10
	Other Non- Financial Institution	14630	67891498	50.89
	FPI & NRI Holdings	155	1235586	1.09
	Bodies Corporate	165	17126241	14.97
	Others – Huf	384	4391469	3.84

l. Dematerialization Status as on March 31st 2025:

Category	No. of Shares					
	Physical	% age	Demat	%age	Total	%age
Promoters	0	0.00	15791500	13.81	15791500	13.81
Non-Promoters	1961250	1.71	96615250	84.48	98576500	86.19
Total	1961250	1.71	112406750	98.29	114368000	100.00

For the shareholders who have not yet dematerialised their shares or have not completed their KYC please follow the link and arrange to submit these with the RTA <https://rudraecovation.com/wp-content/uploads/2024/08/Untitled.pdf>.

m. Reconciliation of Share Capital Audit:

A qualified Company Secretary in practice carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. This Reconciliation is carried out every quarter and the report thereon is submitted to the stock exchanges and is also placed before the Board. The Audit Report, inter alia, confirms that the total listed and paid-up capital is in agreement with the aggregate of total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

n. Outstanding GDRs/ADRs Warrants or any convertible instruments have been issued by the company:

As on date, the Company has not issued GDRs, ADRs or any other Convertible Instruments and as such, there is no impact on the equity share capital of the Company.

However, on November 08, 2023, your company had issued 150,00,000 warrants of Rs. 10 per warrants, at face value of Rs. 1 and Premium of Rs. 9 convertible into equity shares and out of this 140,00,000 warrants converted into equity shares on May 25, 2024 and 10,00,000 warrants converted into equity shares on September 10, 2024.

n. Outstanding GDRs/ADRs Warrants or any convertible instruments have been issued by the company:

As on date, the Company has not issued GDRs, ADRs or any other Convertible Instruments and as such, there is no impact on the equity share capital of the Company.

However, on November 08, 2023, your company had issued 150,00,000 warrants of Rs. 10 per warrants, at face value of Rs. 1 and Premium of Rs. 9 convertible into equity shares and out of this 140,00,000 warrants converted into equity shares on May 25, 2024 and 10,00,000 warrants converted into equity shares on September 10, 2024.

During the Financial year 2024-25, Company has issued, allotted, offered warrants 2,07,65,000 of Rs. 48 each at a face value of Rs. 1 and Premium of Rs. 47 each on preferential basis on July 11, 2024 convertible into Equity shares within a period of 18 months from the date of allotment of warrants. For this the company was accorded approval of board of directors of the company on May 18, 2024 and Shareholders' approval was accorded on June 17, 2024.

Out of warrants 20765000, the warrants converted into equity shares as below:

Date of Conversion	No .of warrants converted into equity shares
27.08.2024	4705000
10.09.2024	2940000
26.09.2024	2055000
24.10.2024	2083000
10.01.2025	13,35,000

Listing/ trading approval for these shares has been received from exchange.

As on date, 7647000 warrants are still pending for conversion.

o. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of LODR Regulations:

The Company has raised the funds through issue and allotment of convertible warrants to the person/ entity belong to Promoter/ non-promoter group of Company, on preferential basis, to meet out the working capital requirement, business expansion and other general corporate purposes of the Company. The funds has been utilised for the same purpose as mentioned in offer documents.

p. Commodity price risk or foreign exchange risk and hedging activities: Company is not exposed to any of these risks.

q. Pursuant to Schedule V of the LODR Regulations, there are no shares of the Company lying under the Unclaimed Suspense Account of the Company.

r. CREDIT RATING:

During the Financial Year 2024-25 no credit rating was there.

s. Plant Locations:

Registered Office : Plot no.43-44, Industrial Area, Barotiwala-174103, (Himachal Pradesh)

TelephoneNo.—0161-4684000

FaxNo.—0161-4684010

Email: hfl.corporate@gmail.com

Corporate Office : 4th Floor, Wood stock Tower, B-35/958, Adarsh Nagar, Ferozepur Road, Opposite Waves Mall, Ludhiana- 141012, Punjab.

Telephone No.—0161-4684000

FaxNo.—0161-4684010

Email: hfl.corporate@gmail.com

t. Investor Relation Cell address for Correspondence: Investors/ shareholders correspondence may be addressed either to the Company's Secretarial Department , contact person: Mrs. Nancy Singla, Company Secretary and Compliance Officer, functioning at 4th Floor, Wood stock Tower, B-35/958, Adarsh Nagar, Ferozepur Road, Opposite Waves Mall, Ludhiana- 141012, Punjab. or to its Registrar and Transfer Agent: BEETAL Financial & Computer Services Pvt Ltd., at BEETAL HOUSE, 3rd Floor, 99, Madangir, Behind LSC, New Delhi - 110062.

OTHER DISCLOSURES

Related Party Transactions

All related party transactions have been entered into in the ordinary course of business and are transactions for which approval of the Audit Committee was taken. There were no materially significant transactions with related parties during the financial year which were not in the normal course of business and which may have conflict with the interest of the Company. All individual transactions with related parties or others were on arm's length basis. Suitable disclosures as required by the IND AS 24 - 'Related Party Disclosures' have been made in the

note no. 33 (i) to the Financial Statements. The Board has formulated a Policy for Materiality and dealing with Related Party Transactions which is available on the Company's website. (Weblink: <https://rudraecovation.com/wp-content/uploads/2024/05/Policy-on-Materiality-of-and-Dealing-With-Related-Party-Transactions.pdf>)

Penalties/ Structures:

The company has always ensured fair code of conduct and maintained transparency. There were no instances of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

During the year the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned Compliances, rules & regulations as laid down by various statutory authorities has always been observed by the company since such change over both in letter as well as in spirit. The Board has obtained certificates/disclosures from key management personnel confirming they do not have any material financial and commercial interest in transactions with the company at large.

Vigil Mechanism /Whistle Blower Policy

The company has set up vigil mechanism viz. Whistle Blower Policy to enable the employees and directors to report genuine concerns, unethical behavior and irregularities, if any, in the company noticed by them which could adversely affect company's operations. The same is reviewed by the Audit Committee from time to time. No concerns or irregularities have been reported till date.

Further in accordance with requirement of Para C 10 (c) of SEBI (Listing Obligations and Disclosures) Regulations, 2015 affirmation is also given that no personnel has been denied access to audit committee. The details of the Whistle Blower Policy is explained posted on the website of the Company at www.rudraecovation.com

Compliances & other disclosures Mandatory Requirements

The company has fully complied with the applicable mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Adoption of non-mandatory requirements under Listing Agreement Adoption of non-mandatory requirements as stipulated under Listing Regulations are being reviewed by the Board from time to time. Details of compliance with mandatory requirements and adoption of non-mandatory requirements as specified in Part E of Schedule II of LODR Regulations 2015. The Company has duly complied with all the mandatory requirements under Chapter IV of the SEBI (LODR), 2015. The Company has not adopted the non-mandatory (discretionary) requirements as mentioned in Part E of Schedule II of the SEBI (LODR), 2015 except that the Company has financial statement with unmodified audit opinion and the Internal Auditor reports directly to the Audit Committee.

Since the company have an on non-executive Chairperson a separate office is maintained at Registered office of the company along with a separate office at Corporate office at 4th Floor, Wood stock Tower, B-35/958, Adarsh Nagar, Ferozepur Road, Opposite Waves Mall, Ludhiana-141012, Punjab.

Disclosure of Accounting Treatment

The financial statements of year under review have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (IND AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.

CODE OF CONDUCT

In terms of the requirement of Regulation 17(5)(a) of the Securities and Exchange Board of India (Listing and Disclosure Obligations) Regulations 2015 ["SEBI (LODR), 2015"] & Section 149(8) read with Schedule IV of the Companies Act, 2013 ("the Act"), the Board of Directors has adopted the Code of Conduct for Directors and Senior Management. The said Code has been communicated to the Directors and the Members of the Senior Management. A copy of code of conduct has been made available to stock exchange for its wide circulation and has been posted at the website of the Company. All Board members and senior management personnel affirm their compliance with the Code on annual basis. A declaration to this effect signed by the Whole Time Director of the Company, forms part of this Annual Report of the Company.

POLICY FOR DETERMINATION OF MATERIALITY OF THE DISCLOSURE OF EVENTS & INFORMATION

In accordance with regulation 30 (4) of SEBI (Listing Obligations and Disclosures) Regulations, 2015 a policy has been adopted regarding disclosures of any events or information which, in the opinion of the board of directors is material and the same is also available on the website of the company i.e. www.rudraecovation.com

CODE OF CONDUCT FOR PROHIBITION OF INSIDER TRADING

The Company has adopted a Code for Prevention of Insider Trading as per SEBI (Prohibition of Insider Trading) Regulations, 2015. All Directors and Designated Employees/ persons who could have access to the Unpublished Price Sensitive Information are governed by the said Code.

PREVENTION OF SEXUAL HARASSMENT

Your Company has zero tolerance for sexual harassment at its workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Committee has been constituted in accordance with the provisions of the POSH Act to redress complaints received regarding sexual harassment and all the provisions regarding the constitution are complied with.

During the year under review, the status of complaints on sexual harassment is as follows:

No. of Complaints filed during the financial year: Nil

No. of Complaints disposed of during the financial year: Nil

No. of complaints pending as on the end of financial year: Nil

REPORT ON CORPORATE GOVERNANCE

A report on Corporate Governance forms part of the Annual Report of the Company and is sent to the shareholders accordingly. The Company also submits a quarterly compliance report on Corporate Governance to the Stock Exchanges within the time stipulated under SEBI (LODR) 2015.

Disclosures of Compliance with Corporate Governance Requirements

The Company has complied with Corporate Governance Requirements as specified in Regulation 17 to 27 of LODR. The Company has complied with Clause (b) to (i) of sub regulation (2) of Regulation 46, relating to website disclosures. The Company's website contains a separate section 'Investor Relations' where members can access the details of the Board, Policies, the Board Committee, financials, details of unclaimed dividend and shares transferred/ liable to be transferred to IEPF, Stock exchange disclosures etc.

CERTIFICATIONS

In compliance with Regulation 17(8) and 33 of the SEBI (LODR), 2015, the Company duly places a Certificate signed by Chairman and Whole Time Director and Chief Financial Officer of the Company before the Board of Directors. The Company has obtained a certificate from its Secretarial Auditor regarding compliance of conditions of Corporate Governance stipulated under Listing Regulations and the said certificate is attached to the Directors Report and forms a part of the Annual Report. The said certificate is sent to the shareholders and Stock Exchanges along with the Annual Report of the Company.

A certificate from the Company Secretary in Practice has been received stating 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, attached as Annexure A.

REMUNERATION TO STATUTORY AUDITORS

Manjul Mittal & Associates., Chartered Accountants (ICAI Firm Registration number 028039N), the Company's Statutory Auditor is responsible for performing an independent audit of the Financial Statements and expressing an opinion on the conformity of those financial statements with accounting principles generally accepted in India.

As required under Regulation 34 read with Part C of the Schedule V of the LODR Regulations, Details relating to fees paid to the Statutory Auditors are given in Note 27(a) to the Financial Statements and (its subsidiaries— Not Applicable) on a consolidated basis to the Statutory auditor and all entities in the network firm/ entity of which the statutory auditor is a part.

Unclaimed Dividends

There is no amount lying in unclaimed dividend account.

CEO/ CFO CERTIFICATION

To
The Board of Directors
Rudra Ecovation Limited

As provided under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, we certify the following to the Board that for the year ended 31st March, 2025:

A. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2025 and to the best of our Knowledge and belief:

- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit committee:

- (1) that there have been no changes in internal control over financial reporting during the year;
- (2) that there have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- (3) There were no instances of fraud of which we have become aware.

For and on behalf of the Board

Place: Ludhiana
Date: September 02, 2025

Sd/-	Sd/-
Akhilesh Kumar Tiwari	Ravi Passi
Chief Executive Officer	Chief Financial Officer

Practicing Company Secretary's Certificate on compliance with the conditions of Corporate Governance under Schedule V of the SEBI (LODR) Regulations, 2015.

The Members,

RUDRA ECOVATION LIMITED (Formerly Himachal Fibres Limited),

Registered Office: Plot No. 43-44, Industrial Area, Barotiwala-174103 (HP)

Corporate Office: 4th Floor, Woodstock Tower, B-35/958, Ferozepur Road, Opposite Waves Mall, Ludhiana, 141008.

CIN: L43292HP1980PLC031020

I have examined the compliance of conditions of Corporate Governance by **RUDRA ECOVATION LIMITED** ('the Company'), for the year ended on **31st March, 2025**, as stipulated in Regulations 17 to 27 and 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 (collectively referred to as "SEBI Listing Regulations, 2015" as amended from time to time).

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring compliance with the 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 and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (LODR) regulations, 2015 for the year ended on **March 31, 2025**.

I further state that this certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Ludhiana
Dated: 25.08.2025

Sd/-

(Ansh Bhambri)

Bhambri & Associates

Company Secretary in whole time practice

C.P. No. 22626

UDIN: F013356G001076935

Peer review number: 2971/2023

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

The Members,

RUDRA ECOVATION LIMITED (Formerly Himachal Fibres Limited),

Registered Office: Plot No. 43-44, Industrial Area, Barotiwala-174103 (HP)

Corporate Office: 4th Floor, Woodstock Tower, B-35/958, Ferozepur Road, Ludhiana, 141008.

CIN: L43292HP1980PLC031020

I/We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **RUDRA ECOVATION LIMITED** having CIN: L43292HP1980PLC031020 and having registered office at Plot No. 43-44, Industrial Area, Barotiwala-174103 (HP) (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my/our opinion and to the best of my / our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me / us by the Company & its officers, I/We hereby certify that none of the Directors on the Board of the Company as stated below for the **Financial Year ending on 31st March, 2025** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Directors Details			
Sr. No.	DIN/PAN	Name	Date of appointment / Cessation
1	07006447	GIAN CHAND THAKUR	12/11/2014
2	00126240	AKHIL MALHOTRA	23/11/2023
3	02139510	BHIM SAIN GOYAL	23/11/2023
4	07143372	SURJIT SINGH	14/11/2018
5	07366983	KAJAL RAI	02/09/2024
6	02751391	Vinod Kumar Goyal	22/07/2024 Appointment
7	07404704	Anil Singla	02/09/2024 Appointment 30/09/2024 Cessation
8	06872575	MANOJ KUMAR	22/08/2016 07/10/2024 Cessation
9	07140603	MALKEET KAUR	28/03/2015 07/10/2024 Cessation

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

Place: Ludhiana
Dated: 25.08.2025

Sd/-
(Ash Bhambri)

Bhambri & Associates
Company Secretary in whole time practice
C.P. No. 22626

Peer review number: 2971/2023
UDIN: F013356G001076869

INDEPENDENT AUDITOR'S REPORT

To the Members of
RudraEcovation Limited
(Formerly Himachal Fibres Limited)
CIN - L43292HP1980PLC031020

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **M/s. Rudra Evocation Limited (Formerly Himachal Fibres Limited) ("the Company")**, which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31 March 2025, its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements. Our opinion is not modified in respect of the matter described in the Emphasis of Matter paragraph.

Emphasis of Matter

- We draw attention to Note No. 5 to the annual financial statements, which describes that the Company has made assessment of the inventories carried during the year under review on the basis its nature and ageing. On the basis of its assessment the company has identified inventories amounting to Rs. 426.47 Lacs as slow moving inventories and segregated it under the head "Other non-current assets" in the Statement of Assets & Liabilities as at 31st March 2025.
- We draw attention to Note 4 to the annual financial statements, which describes that the company has acquired the equity shares of M/s Shiva Texfabs Limited. The Board has approved the scheme of Amalgamation of RudraEcovation Limited (formerly Himachal Fibre Limited) with Shiva Texfabs Limited on dated 23.12.2024 and filed with Department of Corporate Services, BSE Limited, Mumbai under regulation 37 of SEBI (listing obligation & Disclosure requirements), Regulation, 2015 which is pending for NOC by BSE and SEBI

Our Opinion is not modified in respect of the above matters.

Key Audit Matters

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

Key Audit Matter	Auditor's Response
<p>During the year under review, the company has issued and allotted 2,07,65,000 convertible warrants at a price of Rs. 48/- per warrant to the promoters & non-promoters on preferential basis with a right to the warrant holders to apply for and be allotted one fully paid up equity share of the company of face value of Rs. 1/- each at a premium of Rs. 47/- per share for each warrant with in a period of 18 months from the date of allotment of warrants.</p> <p>This transaction is significant due to its impact on the capital structure and the complexity involved in assessing compliance with the applicable provisions of the Companies Act, 2013, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, and the applicable Ind AS accounting treatment, specifically Ind AS 32.</p> <p>Accordingly, this matter was of particular significance in our audit.</p>	<p>Our procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> • Obtained and reviewed board and shareholder resolutions approving the issue of warrants. • Verified compliance with applicable provisions of the Companies Act, 2013 • Reviewed the approval letter from the stock exchange. • Assessed the accounting treatment of the warrants under Ind AS 32, ensuring that the amount received was correctly classified under "Money received against share warrants" under Other Equity. • Evaluated the related disclosures made in the notes to the financial statements to ensure adequacy and compliance with the financial reporting framework. <p>Based on the procedures performed, we found the accounting treatment and disclosures to be appropriate.</p>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report(s) thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information, 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 Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements. 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 standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government 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.

2. As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed 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 31 March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

g) Based on our examination of the books of account and according to the information and explanations given to us, the Company has paid managerial remuneration during the year. In our opinion, the remuneration paid is in accordance with the provisions of Section 197 read with Schedule V to the Companies Act, 2013 and does not exceed the prescribed limits. Further, requisite approvals as mandated under the Act have been obtained by the Company.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS Financial statements; refer Note 29 to the standalone Ind AS financial statements.

ii. The company did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2025.

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

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether,

directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

c) Based on the audit procedures that have been 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared/paid any dividend to the shareholders during the year under review.

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

**FORMANJUL MITTAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO. 028039N**

**Dated: 9th May, 2025
Place: LUDHIANA**

**Sd/-
MANJUL MITTAL
PARTNER
(M.NO.500559)
UDIN: 25500559BMLKKM8352**

“Annexure A” to the Independent Auditors’ Report”

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of **M/s Rudra Ecovation Limited (Formerly Himachal Fibres Limited)** (“the Company”) for the year ended March 31, 2025:

i) In respect of the Company’s Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets;

(B) The Company has no intangible assets for the year ended March 31, 2025.

(b) The Property, Plant and Equipment have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

(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 of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements are held in the name of the company.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii)(a) The management has conducted the physical verification of inventory at reasonable intervals and in our opinion, the coverage and procedure of such verification by the management is appropriate. The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.

b) According to the information and explanation given to us and on the basis of our examination of the records, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks/financial on the basis of the security of current assets. The company is not availing any working capital limits from any Bank/Financial Institutions. Therefore, reporting under clause 3(ii)(b) of the Order is not applicable.

iii) The company has acquired the equity shares of M/s Shiva Texfabs Limited. The Board has approved the scheme of Amalgamation of RudraEcovation Limited (formerly Himachal Fibre Limited) with Shiva Texfabs Limited on dated 23.12.2024 and filed with Department of Corporate Services, BSE Limited, Mumbai under regulation 37 of SEBI (listing obligation & Disclosure requirements), Regulation, 2015 which is pending for NOC by BSE and SEBI

iv) In our opinion and according to the information and explanations given to us, the provisions of sections 185 and 186 of the Companies Act in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made, guarantees, and securities given have been complied with by the company.

v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi) Maintenance of cost records under Section 148(1) of the Companies Act, 2013 are not applicable on the company. Hence, reporting under clause 3(vi) of the Order is not commented upon.

vii) (a) In our opinion, the Company has not been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable except following:-

S.No.	Statute	Nature	Amount in Lakhs
1	Himachal Pradesh Sales Tax Act	Works Contract Tax Payable	1.36
2	Finance Act, 2005	Service Tax Payable	0.04
3	Employee's State Insurance Act, 1948	E.S.I. Payable	0.33
4	Income Tax Act, 1961	TDS / TCS Payable	19.38

b) According to the information and explanations given to us and the records of the Company examined by us, the following dues of Income Tax have not been deposited on account of dispute as on March 31, 2025.

Name of the Statute	Nature of the Dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	3.52	AY 2013-14	As informed to us, Not challenged by the assessee in any forum
Income Tax Act, 1961	TDS/TCS	2.23	Prior Years	As informed to us, Not challenged by the assessee in any forum

viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix) (a) 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 defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender during the year under review.

(b) In our opinion and according to the information and explanations given to us, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable

(d) The Company has not raised any fresh short term loan during the year. Therefore, the provisions of clause 3 (ix) (d) of the Order could not be commented upon.

(e) The company has no subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3 (ix) (e) of the Order are not applicable to the Company and hence not commented upon.

(f) The company has no subsidiaries, associates or joint ventures. Accordingly, the provisions of clause 3 (ix) (f) of the Order are not applicable to the Company and hence not commented upon.

x)(a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer(including debt instruments) during the year

under review. Accordingly, the provisions of clause 3 (x) (a) of the Order are not applicable to the Company and hence not commented upon.

(b)The company had allotted 1,50,00,000 convertible warrants at a price of Rs.10/- per warrant on 08.11.2023 to non-promoters on preferential basis with a right to the warrant holders to apply for and be allotted 1 fully paid up equity share of the company of face value of Rs. 1/- each at a premium of Rs. 9/- per share for each warrant within a period of 18 months from the date of allotment of warrants. Out of it, following warrants converted into equity shares on receipts of 75% of issue price per warrant during the year under review.

Date of Conversion of Warrants into equity shares	No. of Equity Shares
25.05.2024	14000000
10.09.2024	1000000
Total	15000000

Further the company has allotted 2,07,65,000 convertible warrants at a price of Rs. 48/- per warrant on 11.07.2024 to the promoter and non-promoters on preferential basis with a right to the warrant holders to apply for and be allotted 1 fully paid up equity share of the company of face value of Rs. 1/- each at a premium of Rs. 47/- per share for each warrant with in a period of 18 months from the date of allotment of warrants. Out of it, following warrants converted into equity shares on receipts of 75% of issue price per warrant during the year under review.

Date of Conversion of Warrants into equity shares	No. of Equity Shares
27.08.2024	4705000
10.09.2024	2940000
26.09.2024	2055000
24.10.2024	2083000
10.01.2025	1335000
Total	13118000

xi) (a) Based upon the audit procedures performed and the 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) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As per the information & Explanation provided to us, No whistle blower complaints has been received by the Company during the year (and upto the date of this report).

xii) Since the Company is not a Nidhi Company, therefore, the provisions of clause (xii) (a), (xii) (b) and (xii) (c), of the Order are not applicable to the Company.

xiii) In our opinion, all other transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, and the details have been disclosed in the financial statements as required by the applicable accounting standards.

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

(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act.

xvi) (a) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934(2 of 1934) and accordingly, the provisions of clause 3 (xvi)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii) According to the information and explanations given to us and based on our audit, the Company has incurred cash losses of ₹ 234.48 Lakhs in the financial year. However, it has not incurred any cash losses in the immediately preceding financial year.

xviii) There has been no resignation of the statutory auditors of the Company during the year under review.

xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx) Section 135 of the Companies Act is not applicable to the company; therefore reporting under clause 3(xx) of the Order is not applicable.

**FOR MANJUL MITTAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO. 028039N**

**DATED: 29th May 2025
PLACE: LUDHIANA**

**Sd/-
MANJUL MITTAL
PARTNER
(M.NO.500559)
UDIN: 25500559BMLKKM8352**

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of M/s Rudra Evocation Limited (Formerly Himachal Fibres Limited).

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

We have audited the internal financial controls over financial reporting of **M/s. Rudra Evocation Limited (Formerly Himachal Fibres Limited) (“the Company”)**, as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company’s internal financial control over financial reporting includes those policies and procedures that
(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR MANJUL MITTAL & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REG. NO. 028039N**

**DATED: 29th May 2025
PLACE: LUDHIANA**

**Sd/-
MANJUL MITTAL
PARTNER
(M.NO.500559)
UDIN:25500559BMLKKM8352**

Rudra Ecovation Limited
(Formerly Himachal Fibres Limited)

Notes to financial statements for the year ended 31st March 2025

1. Corporate Information

Rudra Ecovation Limited (Formerly Himachal Fibres Limited) (hereinafter referred to as "the Company") is a Company incorporated and domiciled in India with its registered office is at Plot No. 43-44, Industrial Area, Barotiwala, District Solan, Himachal Pradesh. Corporate identification number of the company is L17119HP1980PLC031020 and the company is engaged in the business of manufacturing and sale of cotton polyester yarn and knitted clothes.

2. Significant accounting policies

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

(a) Basis of preparation and presentation

The financial statements of the Company comply in all material aspects with Indian Accounting Standards ("Ind AS") including the rules notified under the Companies Act, 2013 amended from time to time.

The financial statements were authorized for issue by the Company's Board of Directors on 29th May, 2025.

(b) Basis of measurement

The financial statements have been prepared under the historical cost convention on accrual basis except for the following items:

- Certain financial assets and liabilities (including derivative instruments) that is measured at fair value.
- Defined benefit liability/(assets): present value of defined benefit obligation less fair value of plan assets. Or Employee's Defined Benefit Plan as per actuarial valuation.

(c) Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is also the Company's the functional currency.

(d) Use of estimates and judgments

The preparation of financial statements in conformity with Ind AS requires the management to make estimates and judgment that affect the reported amounts of assets, liabilities, income, expenses and other comprehensive income (OCI) that are reported and disclosed in the financial statements and accompanying notes. These estimates and judgment are based on the management's best knowledge of current events, historical experience, actions that the Company may undertake in the future and on various other estimates and judgments that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

The area involving significant estimates and judgments are:

- Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used
- Measurement of defined benefit obligations: key actuarial assumptions
- Estimation of useful lives of property, plant and equipment and intangible assets
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources

(e) Current / non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

Assets

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

- It is expected to be realized 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 realized within 12 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 12 months after the reporting date

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A Liability is classified as current when it satisfies any of the following 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 12 months after the reporting date; or
- The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Current liabilities include current portion of non-current financial liabilities. All other liabilities are classified as non-current.

(f) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling

and removing the item and restoring the site on which it is located and condition necessary for it to be capable of operating in.

An item of property, plant and equipment and any significant part initially recognized the manner intended by management.. The Company identifies and determines separate useful lives for each major component of the property, plant and equipment, if they have a useful life that is materially different from that of the asset as a whole.is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is de-recognized.

Property, plant and equipment under construction and cost of assets not ready for use at the year-end are disclosed as capital work- in- progress.

Subsequent expenditure

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard or period of performance. All other expenses on existing property, plant and equipment, including day-today repairs, maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Depreciation

Depreciation on property, plant and equipment has been provided on Straight line method in the manner and over the useful life of the assets prescribed under Part 'C' of Schedule II to the Companies Act, 2013.

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.

(g) Impairment

Impairment of financial assets

The Company recognizes loss allowance for expected credit losses on financial assets measured at amortized cost. At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default in payment within the due date;
- the restructuring of a loan or advance by the entity on terms that the Company would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganization; or

The Company measures loss allowances at an amount equal to lifetime expected credit losses. Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information. The Company considers a financial asset to be in default when the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any) is held.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value on an appropriate discount factor.

(h) Inventories

The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost in respect of different classifications of inventories is computed as under:

- in case of raw material, stores and spares, diesel and packing material at first-in-first-out (FIFO) cost method plus direct expenses.

- in case of work-in-progress at raw material cost (determined on FIFO cost method) plus appropriate portion of conversion cost and other overheads incurred depending upon the stage of completion.
- in case of finished goods at raw material cost (determined on FIFO cost method) plus conversion cost, packing cost and other overheads incurred to bring the goods up to their present location and condition.
- Saleable waste/ Scrap has been valued at estimated net realizable value.
- Goods/ material in transit are valued at realizable value to date.

(i) Foreign currency transactions

Transactions in foreign currencies are recorded by the Company entities at their respective functional currency at the exchange rates prevailing at the date of the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency at the exchange rates prevailing at the reporting date

Exchange differences arising on settlement or translation of monetary items are recognized in the statement of Profit and Loss

(j) Employee benefits

– **Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

– **Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in Statement of Profit and Loss in the periods during which the related services are rendered by employees.

– **Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed quarterly/annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, are recognized in OCI. The Company determines the net interest expense (income) on the net defined benefit liability or the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in Statement of Profit and Loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(k) Revenue recognition

– **Revenue from Sale of goods**

- Revenue is measured at the fair value of the consideration received or receivable. Sales are recognized when the significant risks and rewards of ownership which coincide with transfer of controls of goods, are transferred to the buyer as per terms of contract and are recognized. Amounts disclosed as revenue is net of returns, trade discounts, Good and Service Tax (GST) and amount collected on behalf of third parties.
- The company recognizes revenue when the amount of revenue can be measured reliably and it is probable that the economic benefit associated with the transaction will flow to the company.

– **Revenue from other than sale of goods**

- Revenue (other than sale) is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Export incentives and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received.
- Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.
- Insurance claims are accounted for on an accrual basis, to the extent these are measurable and ultimate collection is reasonably certain.

(l) Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in Statement of Profit and Loss over the period of the borrowings using the effective interest method (EIR). Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(m) Borrowing costs

Borrowing cost are interest and other costs incurred in connection with borrowing of funds. Borrowing costs directly attributable to acquisition or construction of qualifying assets are capitalized as part of the cost of such assets to the extent that they relate to the period till such assets are ready to be put to use. Qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as expense in the period in which they are incurred.

(n) Leases

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

Company as a lessee

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

i) Right of use assets

The Company recognizes right-of-use 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 recognized, 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, as follows:

Particulars	Lease Term
Leasehold Land	99 Years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

ii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases except in case of lease contracts with related parties since there exist economic incentive for the Company to continue using the leased premises for a period longer than the 11 months and considering the contract is with the related parties, it does not foresee non-renewal of the lease term for future periods, thus basis the substance and economics of the arrangements, management believes that under Ind AS 116, the lease terms in the arrangements with related parties have been determined considering the period for which management has an economic incentive to use the leased asset (i.e. reasonable certain to use the asset for the said period of economic incentive). Such assessment of incremental period is based on management assessment of various factors including the remaining useful life of the asset as on the date of transition. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Company 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 recognized 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 recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

(o) 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 instruments also include derivative contracts such as foreign currency foreign exchange forward contracts.

i. Financial Assets

Initial recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Classifications

The company classifies its financial assets as subsequently measured at either amortized cost or fair value depending on the company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Business model assessment

The company makes an assessment of the objective of a business model in which an asset is held at an instrument level because this best reflects the way the business is managed and information is provided to management.

Debt instruments at amortized cost

A financial asset is measured at amortized cost only if both of the following conditions are met:

- it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

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

Debt instrument at fair value through Other Comprehensive Income (FVOCI)

Debt instruments with contractual cash flow characteristics that are solely payments of principal and interest and held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets are classified to be measured at FVOCI.

Debt instrument at fair value through profit and loss (FVTPL)

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

In addition, the company may elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

ii. Equity Instruments

All equity instruments in scope of Ind AS 109 are measured at fair value. On initial recognition an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

All other Financial Instruments are classified as measured at FVTPL.

De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily de-recognized (i.e. removed from the company's 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 recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognizes 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.

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in OCI is recognized in profit or loss.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

With regard to trade receivable, the Company applies the simplified approach as permitted by Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognized from the initial recognition of the trade receivables.

iii. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of amortized cost, net of directly attributable transaction costs.

Subsequent measurement

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

Financial Liabilities measured at amortized cost

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

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such 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 P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognized in the statement of profit or loss.

Derivative financial instruments

Foreign exchange forward contracts are purchased to mitigate the risk of changes in foreign exchange rates associated with forecast transactions denominated in certain foreign currencies. The Company recognizes all derivatives as assets or liabilities measured at their fair value. The changes by marked to market then at each reporting date and the related gains (losses) are recognized in the Statement of Profit and Loss.

De-recognition of financial liabilities

The company de-recognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

(p) Measurement of fair values

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(q) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. For the purposes of the Cash Flow Statement, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities

(r) Earning per share

Basic earning per share (EPS) are calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

(s) Provisions and contingent liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future obligation at pre-tax rate that reflects current market assessments of the time value of money risks specific to liability. They are not discounted where they are assessed as current in nature. Provisions are not made for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or reliable estimate of the amount cannot be made. Contingent assets are disclosed in the financial statements.

(t) Taxation

Income tax comprises current and deferred tax. It is recognized in Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets - unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Rudra Ecovation Limited

(Formerly Himachal Fibres Limited)

Balance Sheet as at 31st March 2025
(Rs in Lakhs)

(All amount in Lakhs of Indian Rupees, except share data and stated otherwise)

Particulars	Note No.	As at 31.03.2025		As at 31.03.2024	
ASSETS					
Non-current assets					
(a) Property, Plant and Equipment	3	1,112.88		1,144.20	
(b) Capital Work in Progress		0.00		0.00	
(c) Right-of-use assets		5.86		5.97	
(d) Financial Assets					
(e) Investments	4	9,627.37		0.00	
(f) Deferred tax assets (net)		255.40		234.35	
(g) Other non-current assets	5	454.53	11,456.04	1,580.54	2,965.06
Current assets					
(a) Inventories	6	981.54		529.38	
(b) Financial Assets					
(i) Trade receivables	7	74.04		242.93	
(ii) Cash and cash equivalents	8	11.52		254.67	
(c) Current Tax Assets (Net)	9	2.80		4.83	
(d) Other Current Assets	10	129.21		87.90	
(e) Short Term Loans & Advances		0.00	1,199.11	0.00	1,119.71
Total Assets			12,655.15		4,084.77
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share capital	11	1,143.68		862.50	
(b) Other Equity	12	8,486.17		1,293.77	
(c) Money received against share warrants		917.64	10,547.49	618.75	2,775.02
LIABILITIES					
Non-current liabilities					
(a) Financial Liabilities					
(i) Borrowings	13	73.55		64.52	
(ii) Other Long Term Liabilities	14	982.29		854.17	
(b) Provisions	15	20.28	1,076.12	16.67	935.36

Current liabilities					
(a) Financial Liabilities					
(i) Borrowings		0.00		0.00	
(ii) Trade Payables	16				
I. Dues to Micro and Small Enterprise (MSE)		0.00		31.82	
II. Other than MSE Dues		70.38		22.30	
(iii) Other financial liabilities	17	230.00		175.30	
(b) Other current liabilities	18	728.94		142.98	
(c) Provisions	19	2.22	1,031.54	1.99	374.39
Total Equity and Liabilities			12,655.15		4,084.77

As per our attached report of even date

For **Manjul Mittal & Associates**

Chartered Accountants

Firm Reg.No.028039N

For and on behalf of the Board of Directors of

Rudra Ecovation Limited

Sd/-

MANJUL MITTAL

PARTNER

M.NO. 500559

UDIN: 25500559BMLKKM8352

Sd/-

Gian Chand Thakur

(Whole Time Director)

DIN : 07006447

Akhil Malhotra

(Director)

DIN : 00126240

Dated- 29.05.2025

Place- Ludhiana

Ravi Passi

(CFO)

Nancy Singla

(Company Secretary)

Rudra Ecovation Limited

(Formerly Himachal Fibres Limited)

Statement of Profit and Loss for the period ended 31st March 2025

(Rs in Lakhs)

(All amount in Lakhs of Indian Rupees, except share data and stated otherwise)

Particulars	Note No.	For the period ended 31.03.2025	For the year ended 31.03.2024
REVENUE			
Revenue from operations	20	2,659.21	,961.79
Other Income	21	76.03	85.71
Total Income		2,735.24	2,047.50
EXPENSES			
Cost of materials consumed	22	1,662.33	923.20
Changes in inventories of finished goods and work-in-progress	23	117.28	76.37
Employee benefits expense	24	470.94	037.27
Finance costs	25	145.71	170.10
Depreciation expense	26	115.56	130.31
Other expenses	27	573.46	425.89
Total Expenses		3,085.28	2,163.14
Profit/ - Loss before exceptional items and tax		(350.03)	(115.64)
Exceptional items-Expenses/(Income)		-	-
Profit/ - Loss before tax		(350.03)	(115.64)
<u>Less: tax expense:</u>			
(1) Current tax		-	-
(2) Deferred tax		(21.05)	(51.59)
Profit/ - Loss for the period		(328.98)	(64.05)
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement of post-employment benefit Obligations		10.24	10.57
Changes in fair value of FVOCI equity instruments		2.25	-
(ii) Income tax relating to items that will not be reclassified to profit or loss			
B (i) Items that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
Total Comprehensive Income for the period		(316.49)	(53.48)

Earnings per equity share:			
(Nominal value of equity share - Rupee 1/-)			
Basic		(0.30)	(0.07)
Diluted		(0.30)	(0.07)

As per our attached report of even date

For **Manjul Mittal & Associates**

Chartered Accountants

Firm Reg.No.028039N

For and on behalf of the Board of Directors of
Rudra Ecovation Limited

Sd/-

MANJUL MITTAL

PARTNER

M.NO. 500559

UDIN: 25500559BMLKKM8352

Sd/-

Gian Chand Thakur

(Whole Time Director)

DIN : 07006447

Sd/-

Akhil Malhotra

(Director)

DIN : 00126240

Dated- 29.05.2025

Place- Ludhiana

Ravi Passi

(CFO)

Nancy Singla

(Company Secretary)

Rudra Ecovation Limited

(Formerly Himachal Fibres Limited)

CASH FLOW STATEMENT FOR THE YEAR ENDING 31st March'2025

(Rs in Lakhs)

(All amount in Lakhs of Indian Rupees, except share data and stated otherwise)

	PARTICULARS	AS AT 31.03.2025 (Audited)	AS AT 31.03.2024 (Audited)
A.	CASH FLOW FROM/USED IN OPERATING ACTIVITIES	-	
	NET PROFIT BEFORE TAX	(337.54)	(105.07)
	ADJUSTMENTS FOR:	-	
	DEPRECIATION	115.56	130.31
	MISCELLANEOUS EXPENSES WRITTEN OFF		-
	INTEREST EXPENSES	145.71	170.10
	INTEREST INCOME	(4.63)	(4.09)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(80.90)	191.25
	ADJUSTMENTS FOR:		
	(INCREASE)/DECREASE IN TRADE AND OTHER RECEIVABLES	1,294.91	763.10
	(INCREASE)/DECREASE IN INVENTORIES	(452.17)	69.59
	INCREASE/(DECREASE) IN TRADE PAYABLES AND OTHER LIABILITIES	788.89	(651.41)
	INCREASE /(DECREASE) IN LOANS & ADVANCES	0(39.29)	-
	CASH GENERATED FROM OPERATIONS	1,511.44	372.53
	INCOME TAX PAID	6.57	15.97
	NET CASH FROM/USED IN OPERATING ACTIVITIES	1,504.87	356.56
	-	-	
B.	CASH FLOW FROM/USED IN INVESTING ACTIVITIES		
	PURCHASE OF FIXED ASSETS	-84.13	(90.15)
	PURCHASE OF INVESTMENTS	-9,627.37	-
	INTEREST RECEIVED	4.63	4.09
	NET CASH FROM/USED IN INVESTING ACTIVITIES	-9,706.87	(86.06)
C.	CASH FLOW FROM/USED IN FINANCING ACTIVITIES		
	PROCEEDS FROM ISSUE OF SHARE WARRANTS	298.89	618.75
	(REPAYMENT) RECEIPT OF LONG TERM BORROWINGS	9.03	119.34
	CHANGES IN WORKING CAPITAL LOANS/SHORT TERM BORROWINGS	0.00	(600.00)
	INCREASE/(DECREASE) IN SHARE CAPITAL	281.18	-
	INCREASE/(DECREASE) IN OTHER EQUITY	7,515.46	-
	INTEREST PAID	(145.71)	(170.10)
	NET CASH FROM/USED IN FINANCING ACTIVITIES	7,958.85	(32.01)
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVLANTS	-243.14	238.49
	OPENING CASH AND CASH EQUIVALENTS	254.67	16.18
	CLOSING CASH AND CASH EQUIVLANTS	11.52	254.67

As per our attached report of even date

For **Manjul Mittal & Associates**

Chartered Accountants

Firm Reg.No.028039N

For and on behalf of the Board of Directors of

Rudra Ecovation Limited

Sd/-
MANJUL MITTAL
PARTNER
M.NO. 500559
UDIN: 25500559BMLKKM8352

Dated- 29.05.2025
Place- Ludhiana

Sd/-
Gian Chand Thakur
(Whole Time Director)
DIN : 07006447

Sd/-
Ravi Passi
(CFO)

Sd/-
Akhil Malhotra
(Director)
DIN : 00126240

Sd/-
Nancy Singla
(Company Secretary)

Rudra Ecovation Limited

Note No. 3

(Formerly Himachal Fibres Limited)

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31.03.2025

(Rs in Lakhs)

(All amount in Lakhs of Indian Rupees, except share data and stated otherwise)

Note No.	Description of assets	Gross carrying amount				Depreciation				Net carrying amount	
		As at 01.04.2024	Additions during the period	Disposal		Opening accumulated depreciation	Depreciation for the per-31.03.2025	Eliminated on disposal of assets	Closing accumulated depreciation	As at 31.03.2025	As at 31.03.2024
3.	Property, plant and equipment										
	At Works Freehold Land	0.82	-	-	0.82	-	-	-	-	0.82	0.82
	Total	0.82	-	-	0.82	-	-	-	-	0.82	0.82
	Buildings	1,304.75	-	-	1,304.75	805.20	30.99	-	836.19	468.56	499.54
	Plant and equipment	3,847.77	84.13	-	3,931.89	3,210.24	84.01	-	3,294.24	637.65	637.53
	Furniture and fixtures	18.65	-	-	18.65	18.16	-	-	18.16	0.49	0.49
	Vehicles	35.69	-	-	35.69	34.43	-	-	34.43	1.26	1.26
	Office equipments	6.29	-	-	6.29	5.98	-	-	5.98	0.31	0.31
	Computers	9.24	-	-	9.24	8.78	-	-	8.78	0.46	0.46
	Mobile Phones	0.35	-	-	0.35	0.33	-	-	0.33	0.02	0.02
	Electrical Fittings	8.39	-	-	8.39	5.58	0.27	-	5.85	2.55	2.81
	Weighing Machines	0.85	-	-	0.85	0.59	0.06	-	0.65	0.21	0.27
	Tubewell	3.25	-	-	3.25	3.09	-	-	3.09	0.16	0.16
		-	-	-							
	At Ludhiana Office	-	-	-							
	Office equipments	0.43	-	-	0.43	0.40	-	-	0.40	0.02	0.02
	Computers	5.80	-	-	5.80	5.51	-	-	5.51	0.29	0.29
	Mobile Phones	1.49	-	-	1.49	1.28	0.14	-	1.42	0.07	0.21
	Total	5,243.78	84.13	-	5,327.90	4,099.58	115.45	-	4,215.03	1,112.88	1,144.20
	Previous Year Total	5,153.63	90.15	-	5,243.78	3,969.37	130.21	-	4,099.58	1,144.20	1,184.26

Rudra Ecovation Limited

(Formerly Himachal Fibres Limited)

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31.03.2025

(Rs in Lakhs)

(All amount in Lakhs of Indian Rupees, except share data and stated otherwise)

Note No.	Particulars	As at		As at	
		31.03.2025		31.03.2024	
4	Long Term Investments				
	Investment at fair value through other comprehensive income	No. of Shares		No. of Shares	
	Shiva Texfabs Limited (Equity Shares of Rs.10/- each at price of Rs.213.75 Each Fully paid up)	2339181	5001.17	0	-
	Shiva Texfabs Limited (Equity Shares of Rs.10/- each at price of Rs.213.75 Each Partly paid up)	4701755	4626.20	0	-
	Total		9,627.37		-
5	Other non-current assets				
	Capital Advances		6.40		6.40
	Security deposits		21.65		21.65
	Trade receivables				
	-Unsecured, considered good :				
	Less than 6 months	-		-	
	6 Months to 1 Year	-		-	
	1-2 Years	-		-	
	2-3 Years	-		369.89	
	More than 3 Years	-	-	207.33	577.22
	-Doubtful				
	Less: Allowance for Doubtful receivables		-		-
	Long Term Debtors		-		577.22
	Slow Moving Inventories		426.47		975.27
	Total		454.53		1,580.54
6	Inventories				
	(Refer Note No.. 2 (h) for mode of valuation)				
	Raw materials		121.97		108.96
	Work-in-progress		72.50		71.99
	Finished goods		895.07		1,012.86
	Stock-In-Trade		63.25		63.25

	Stores and spares		255.21		247.58
			1,408.01		1,504.65
	Less: Slow Moving Inventories (Non Current)		426.47		975.27
	Total		981.54		529.38
7	Trade receivables				
	Unsecured, considered good :				
	Related Parties - Where Director is Director or Member				
	(I) Undisputed Trade Receivable - Considered Good				
	Less than 6 months	74.04		240.70	
	6 Months to 1 Year	-		-	
	1-2 Years			2.24	
	2-3 Years			-	
	More than 3 Years		74.04	-	242.93
	Other Parties				
	(II) Undisputed Trade Receivable - Considered Doubtful				
	(III) Disputed Trade Receivable - Considered Good				
	(iv) Disputed Trade Receivable - Considered Doubtful				
					242.93
	Less: Provision for Doubtful Debts		-		-
	Total		74.04		242.93
	Doubtful				
	Less: Provision for Life Time Expected Credit Loss				
	Others				
	Total		74.04		242.93
No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Further no trade or other receivables are due from firms or private companies respectively in which any director is a partner, or director or member.					
8	Cash and cash equivalents				
	Balances with banks				
	- in current/ cash credit accounts		8.54		254.34
	- in deposit accounts with maturity upto three months (pledged with banks towards margin against Bank guarantees)				

	Cheque in Hand				-
	Cash in hand		1.78		0.33
	FDR A/C -HDFC BANK		1.20		-
	Total		11.52		254.67

9	Current Tax Assets (Net)				
	TDS/ TCS Recoverable		2.80		4.83
	Total		2.80		4.83

10	Other current assets				
	Advances to suppliers of goods and services				
	Other Parties		44.55		43.39
	Other advances Recoverable in Cash or Kind		5.86		8.88
	Prepaid Expenses		4.19		-
	GST Input (HP and Punjab)		10.96		35.63
	GST Refund Receivable		60.00		-
	GST Cash Ledger		3.19		-
	GST Receivables		0.46		-
	Total		129.21		87.90

Rudra Ecovation Limited

(Formerly Himachal Fibres Limited)

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31.03.2025

(Rs in Lakhs)

(All amount in Lakhs of Indian Rupees, except share data and stated otherwise)

Note No.	Particulars	As at		As at	
		31.03.2025		31.03.2024	
11	Equity Share capital				
	<u>Authorised</u>				
	Equity Shares				
	- 17,50,00,000(PY 17,50,00,000)				
	Equity Shares for Re. 1/- EACH		1,750.00		1,750.00
	Preference Shares				
	- 1,65,000 16.5% Cumulative Redeemable Pref. Shares of Rs.100/- Each		165.00		165.00
	- 14,35,000 4% Non-Cumulative Redeemable Pref. Shares of Rs.100/- Each		1,435.00		1,435.00
	Total		3,350.00		3,350.00
	<u>Issued, Subscribed & Paid Up Equity Shares</u>				
	- 11,43,68,000 (PY 8,62,50,000) Equity Shares for Re. 1/- Each Fully Paid up		1,143.68		862.50
					-
	Total		1,143.68		862.50

The reconciliation of the number of shares outstanding at the beginning and at the end of the period:

Equity shares of Rs. 1/- each:

Particulars				
Number of shares and amount at the beginning	86,250,000.00	86,250,000.00	86,250,000.00	86,250,000.00
Add : Shares issued	28,118,000.00	28,118,000.00		
Add: Share Warrants				-
Share Application Money		-		-
Number of shares and amount at the end		114,368,000.00		86,250,000.00

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

Equity shares: The company has one class of equity share having par value of Rs. 1/- per share. Every member holding equity shares and entitled to vote and present in person or by proxy shall have voting rights which shall be in the same proportion as the capital paid on the equity share or shares (whether fully paid up or partly paid up) held by him bears to the total paid up equity capital of the company.

Shares in the company held by each shareholder holding more than 5 percent shares:

	Name of the shareholder	Number of shares	% held	Number of shares	% held
	Brijeshwari Textiles P Ltd.	7,041,500.00	6.16%	7,041,500.00	8.16%
	Mr. Akhil Malhotra	500,000.00	0.44%	5,000,000.00	5.80%
	DPG Textile Limited	-	0.00%	6,715,000.00	7.79%
	India Equity Fund 1	5,870,000.00	5.13%	5,350,000.00	6.20%
	Saket Agarwal	4,500,000.00	3.93%	5,130,315.00	5.95%
		17,911,500.00	15.66%	29,236,815.00	33.90%
	Promoters' share holding*				
	1) Indian				
	a) Individual				
	Akhil Malhotra	500,000.00	0.44%	5,000,000.00	5.80%
	Mayank Malhotra	2,000,000.00	1.75%	2,000,000.00	2.32%
	Simmi Malhotra	5,000,000.00	4.37%	-	0.00%
	Sub Total	7,500,000.00	6.56%	7,000,000.00	8.12%
	b) Other body Corporates				
	Brijeshwari Textiles Private Limited	7,041,500.00	6.16%	7,041,500.00	8.16%
	Shiva Spinfab Private Limited	1,250,000.00	1.09%	-	0.00%
	Sub Total	8,291,500.00	7.25%	7,041,500.00	8.16%
	Total Shareholding of Promoter and Promoter Group	15,791,500.00	13.81%	14,041,500.00	16.28%
12	Other Equity				
	<u>Redeemable Preference Shares</u>				
	The Company has issued 12,00,000 (PY 12,00,000) 4% Non-Cumulative Redeemable Preference Shares of Rs. 100/- Each on 31st August 2009. The said preference shares shall be redeemed after the expiry of 16th, 17th & 18th year from the date of allotment by repayments of the amounts paid up thereon along with such premium not exceeding 4% per annum (to be calculated for the period of 15 years) on the face value of preference shares for the period to be reckoned from the date of allotment in installment of 30%, 35%, and 35% respectively.				
	The Preference Shares are presented in the Balance Sheet as follows.				
	Equity Component of Preference Shares 4% Non-Cumulative Redeemable Preference Shares		921.00		921.00
	Equity Component of Preference Shares		921.00		921.00
	<u>Retained Earnings</u>				
	Balance at the beginning of the year	(2,742.44)		(2,672.98)	
	Add: Profit/(Loss) for the period	(316.49)		(53.48)	
	Less: Income Tax for Earlier Years	(6.57)		(15.98)	

	Balance at the end of the Year	(3,065.50)	(3,065.50)	(2,742.44)	(2,742.44)
	Capital redemption reserve				
	As at the commencement of the year	314.89		314.89	
	Add: receipt during the year		314.89		314.89
	Capital reserves				
	As at the commencement of the year	1,777.93		1,777.93	
	Add: receipt during the year		1,777.93		1,777.93
	Share Premium Account				
	As at the commencement of the year	520.00		520.00	
	Add: Additions during the period	7,515.46	8,035.46		520.00
	Equity Component of Unsecured Loan	502.38		502.38	
	Less : Redeemed During The Year		502.38		502.38
	Total		8,486.17		1,293.77

Rudra Ecovation Limited

(Formerly Himachal Fibres Limited)

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31.03.2025

(Rs in Lakhs)

Note No.	Particulars	As at		AS AT	
		31.03.2025		31.03.2024	
13	Borrowings				
	Unsecured Loans				
	Inter Corporate Deposits	525.00		525.00	
		525.00		525.00	
	Less: Equity Portion of Unsecured Loan	(502.38)		(502.38)	
	Add: NPV of Interest on Unsecured Loans	50.93	73.55	41.90	64.52
	Total		73.55		64.52
14	Other Long Term Liabilities				
	Redeemable Portion of 4% Non-Cummulative Pref. Share Capital		982.29		854.17
	Total		982.29		854.17

15	Provisions				
	Provision for Employee Benefits				
	Gratuity		20.28		16.67
	Total		20.28		16.67
16	Trade payables				
	Creditors other than Micro and small Enterprises				
	(i) MSME				
	- Less than 1 year	-		31.82	
	- 1-2 years	-		-	
	- 2-3 years	-		-	
	- More than 3 year	-	-	-	31.82
	(II) Others				
	- Less than 1 year	63.85		18.59	
	- 1-2 years	6.23		0.63	
	- 2-3 years	0.20		2.27	
	- More than 3 year	0.11	70.38	0.82	22.30
	(III) Disputed Dues - MSME				-
	(IV) Disputed Dues -Others		-		-
	Total		70.38		54.13
17	Other financial liabilities				
	Others				
	-Employees Dues		166.70		116.87
	Other Expenses Payable		63.29		58.43
	Total		230.00		175.30
18	Other current liabilities				
	Statutory Dues Payable				
	- Provident Fund		5.15		0.79
	- Employee State Insurance (ESI)		1.51		11.85
	- GST Payable RCM		0.57		0.22
	- Tax Deducted at Source		31.31		4.61
	- Service Tax		0.04		0.04
	- Work Contract Tax		1.36		1.36
	Advance From Customers		650.06		-
	Other Liabilities Payable		-		113.28
	Cheques Issued But Not Presented		28.94		0.83
	Unclaimed Preference Shares Redemption		10.00		10.00
	Total		728.94		142.98

19	Provisions				
	Provision for employee benefits				
	- Gratuity		2.22		1.99
	Income Tax Payable		-		-
	Total		2.22		1.99

Rudra Ecovation Limited

(Formerly Himachal Fibres Limited)

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31.03.2025

(Rs in Lakhs)

(All amount in Lakhs of Indian Rupees, except share data and stated otherwise)

Note No.	Particulars	AS AT		AS AT	
		31.03.2025		31.03.2024	
20	Revenue from operations				
	Sale of products		2,387.29		1,916.51
			2,387.29		1,916.51
	Other operating revenues				
	Sale of waste		63.78		43.78
	Sale of Stores & Spares		206.75		1.50
	Sale of scrap		1.40		-
			271.92		45.28
	Total		2,659.21		1,961.79
21	Other income				
	Interest income		4.63		4.09
	Misc income		0.10		0.11
	Other Non -operative Income		59.29		81.51
			64.02		85.71
	Sundry Balances Written Back		12.01		-
	Total		76.03		85.71
22	Cost of materials consumed				
	<u>Cost of raw materials consumed</u>				
	Opening stock of raw materials		108.96		132.45
	Add: purchase of raw materials		1,675.34		899.72
			1,784.31		1,032.17
	Less :				
	Closing stock of raw materials		121.97		108.96
	Cost of materials consumed - Total		1,662.33		923.20

23	Changes in inventories of finished goods and work-in-progress				
	Closing inventories				
	Finished goods		937.74		1,060.04
	Saleable waste		20.59		16.07
	Work-in-progress		72.50		71.99
	Stock-in-trade				
			1,030.83		1,148.11
	Opening inventories				
	Finished goods		1,060.04		1,128.14
	Saleable waste		16.07		24.51
	Work-in-progress		71.99		71.82
	Stock-in-trade				
			1,148.11		1,224.47
	<u>(-) Increase/ decrease in inventories of finished goods and work-in-progress</u>				
	Finished goods		122.30		68.10
	Saleable waste		(4.52)		8.44
	Work-in-progress		(0.51)		(0.17)
	Stock-in-trade				
	Changes in inventories of finished goods and work-in-progress - total		117.28		76.37

Rudra Ecovation Limited

(Formerly Himachal Fibres Limited)

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31.03.2025

(Rs in Lakhs)

(All amount in Lakhs of Indian Rupees, except share data and stated otherwise)

Note No.	Particulars	AS AT		AS AT	
		31.03.2025		31.03.2024	
24	Employee benefits expense				
	Salaries and wages		410.36		387.21
	Contribution to provident fund and other funds		6.42		6.64
	Gratuity expense		14.08		10.29
	Staff welfare expenses		2.64		3.09
	Bonus		19.17		17.47
	Compensated Absences		18.27		12.58
	Total		470.94		437.27
25	Finance costs				
	Interest		8.48		50.65
	Interest on Preference Shares		128.12		111.41

	NPV of Interest on Unsecured Loans		9.03		7.92
	Bank Charges		0.07		0.01
	Processing Charges		-		0.10
	Total		145.71		170.10
26	Depreciation Expense				
	Depreciation on property, plant and equipment (refer Note No.. 3)		115.45		130.21
	Depreciation of Right of use assets (refer Note No.. 3A)		0.11		0.10
	Total		115.56		130.31
27	Other expenses				
	Manufacturing Expenses				
	Power & Electricity		233.26		226.82
	Fuel Consumed		0.02		2.52
	Oil & Lubricants		11.50		5.18
	Store & Spares Consumed		46.60		46.80
	Freight & Cartage Inwards		1.56		1.60
	Machinery Repair		13.43		40.07
			306.37		322.99
	Administrative Expenses				
	Remuneration of Auditors				
	(a) As Auditor		2.00		2.00
	Board Meeting Expenses		1.76		0.52
	Computer Repair & Expenses		0.64		0.10
	Fees Subscription & Taxes		22.17		26.70
	Festival/ Worship Expenses		0.05		0.06
	General & Miscellaneous Expenses		0.05		0.02
	Insurance Expenses		1.90		2.15
	Legal & professional Expenses		117.62		35.41
	Printing & Stationary Expenses		0.59		2.54
	Rent Expenses		1.85		1.32
	Repair & Maintenance		6.40		2.06
	Telephone, Fax, Internet & Postage Expenses		0.78		1.69
	Travelling Expenses		0.59		0.17
	Business Promotion Expenses		1.44		-
	Director's Travelling		0.12		-
	Vehicle Running & Maintenance		7.63		8.57
			165.60		83.33
	Selling Expenses				
	Advertisement Expenses		7.45		1.19
	Exhibition Expenses		64.01		-

	Freight & Cartage Outwards		29.39		17.79
	Packing & Handling Expenses		0.65		0.58
			101.50		19.56
	Total		573.46		425.89

Rudra Ecovation Limited

(Formerly Himachal Fibres Limited)

STATEMENT OF CHANGE IN EQUITY FOR THE PERIOD ENDED 31.03.2025
A. Equity Share Capital

(1) Current reporting period

(Rs in Lakhs)

(All amount in Lakhs of Indian Rupees, except share data and stated otherwise)

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
862.5			281.18	1143.68
(2) Previous reporting period				
Balance at the beginning of the previous reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the previous reporting period	Changes in equity share capital during the previous year	Balance at the end of the previous reporting period
862.5				862.5

B. Other Equity

(1) Current reporting period

	Share application money pending allotment	Equity component of Preference Shares 4% Non-Cumulative Redeemable Preference Shares	Equity component of Unsecured Loan	Reserves and Surplus				Money received against share warrants	Total
				Capital Reserve	Securities Premium	Capital Redemption Reserve	Retained Earnings		
Balance at the beginning of the current reporting period		921.00	502.38	1777.93	520	314.89	(2742.44)	618.75	1912.52
Changes in accounting policy/prior period errors									0.00
Restated balance at the beginning of the current reporting period									0.00
Total Comprehensive Income							12.49		12.49

for the current year									
Additions during the period					7515.5			298.89	7814.35
Transfer to retained earnings									0.00
Profit/Loss for the Period							(328.98)		(328.98)
Income Tax for Earlier Years							(6.57)		(6.57)
Balance at the end of the current reporting period		921.00	502.38	1777.93	8035.46	314.89	(3065.50)	917.64	9403.81
(2) Previous reporting period									

	Share application money pending allotment	Equity component of Preference Shares 4% Non-Cumulative Redeemable Preference Shares	Equity component of Unsecured Loan	Reserves and Surplus				Money received against share warrants	Total
				Capital Reserve	Securities Premium	Capital Redemption Reserve	Retained Earnings		
Balance at the beginning of the current reporting period		921.00	502.38	1777.93	520	314.89	(2672.98)	0	1363.23
Changes in accounting policy/prior period errors									0.00
Restated balance at the beginning of the current reporting period									0.00
Total Comprehensive Income for the current year							10.57		10.57
Additions during the period								618.75	618.75
Transfer to retained earnings									0.00
Profit/Loss for the Period							(64.05)		(64.05)

Income Tax for Earlier Years							(15.98)		(15.98)
Balance at the end of the current reporting period		921.00	502.38	1777.93	520.00	314.89	(2742.44)	618.75	1912.52

As per our attached report of even date

For **Manjul Mittal & Associates**

Chartered Accountants

Firm Reg.No.028039N

For and on behalf of the Board of Directors of

Rudra Ecovation Limited

Sd/-

MANJUL MITTAL

PARTNER

M.NO. 500559

UDIN: 25500559BMLKKM8352

Sd/-

Gian Chand Thakur

(Whole Time Director)

DIN : 07006447

sd/-

Akhil Malhotra

(Director)

DIN : 00126240

Dated- 29.05.2025

Place- Ludhiana

Ravi Passi

(CFO)

Nancy Singla

(Company Secretary)

Rudra Ecovation Limited
(Formerly Himachal Fibres Limited)

28. Ratios

S.No.	Particulars	31st March 2025	31st March 2024	Variance	Remarks
(a)	Current Ratio (Current Assets/Current Liabilities)	1.16	2.99	-61.13%	Due to increase in current liabilities
(b)	Debt – Equity Ratio (Total Debt/Shareholder's Equity)	0.06	0.07	-14.03%	-
(c)	Debt Service Coverage Ratio (Earnings available for debt services/Debt Service)	0.00	0.02	-100.00%	Due to NIL Debt
(d)	Return on Equity (ROE) (Net Profit/Shareholders's Equity)	-3.00%	-1.93%	55.70%	Due to Increase in Losses
(e)	Inventory Turnover Ratio (Cost of Goods Sold/Average Inventory)	1.76	1.13	55.61%	Due to changes in Average Inventories
(f)	Trade receivables turnover ratio (Revenue from Operations/Average Trade Receivable)	5.95	1.67	257.06%	Due to changes in Average Receivables
(g)	Trade payables turnover ratio (Purchases/Average Trade Payables)	27.66	17.67	56.52%	Due to increase in Purchases
(h)	Net capital turnover ratio (Total Income/Shareholder's Equity)	0.26	0.74	-64.85%	Due to increase in Shareholder's equity
(i)	Net profit ratio (Net Profit/Total Income)	-11.57%	-2.61%	342.99%	Due to Increase in Losses
(j)	Return on capital employed (ROCE) (Earnings before Interest and Taxes/Capital Employed)	-1.65%	1.75%	-194.17%	Due to Increase in Losses
(k)	Return on Investment(ROI) (Income generated from investments/weighted average investments)	NA	NA	NA	NA

29. Contingent liability not provided for:

(Rupees in Lakhs)

Particulars	As At 31.03.2025	As At 31.03.2024
Entry Tax with H.P.Excise and Taxation Deptt.	70.80	70.80
Processing Fees of Dy.Director of Industries, Solan	254.08	241.83
Income Tax demand for various Assessment Years	5.75	--
Total	330.63	312.63

30. The Company has paid/provided the managerial remuneration to the following persons which is in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act :-

Name of Directors/Managers	Designation	Remuneration	
		31.03.2025	31.03.2024
Sh.Vinod Kumar Goyal	ED & CEO	37.91	0.00

31. The earnings per share (EPS) disclosed in the profit and loss account have been calculated as under:-

(Rupees in Lakhs)

S.No.	Particulars	As At 31.03.2025	As At 31.03.2024
A.	Basic Earning Per Share		
i	Profit/(Loss) attributable to equity shareholders	(316.49)	(64.04)
	Less: Preference Dividend for the year	0.00	0.00
	Earnings Attributable to Equity shareholders	(316.49)	(64.05)
ii	Weighted average number of equity shares (Nos) Basic	105423758.90	86250000
iii	Basic Earning per shares	(0.30)	(0.07)
B.	Diluted earning per share		
i	Earnings Attributable to Equity shareholders	(316.49)	(64.04)
ii	Weighted average number of equity shares for (diluted)		
	--Weighted average number of equity shares (Nos) Basic	105423758.90	86250000
	--Dilution of equity	1447544.00	5942623
	Weighted average number of equity shares (diluted) for the year	106871302.90	92192623
iii	Diluted earnings per share	(0.30)	(0.07)

32. **Deferred Taxation**

The disclosure requirements as per the Indian Accounting Standard (Ind AS 12 Income Taxes) is as under:-

Net Deferred Tax Asset as on 31st March, 2025 has been recognized by applying the tax rate applicable for the current financial year as under:-

(Rupees in Lakhs)

Sr. No.	Particulars	Deferred Tax	
		Debit	Credit
1.	Deferred Tax Assets as on 01.04.2024	234.35	--
2.	Deferred Tax Income recognized during the year due to timing difference between depreciation as per Income Tax Act, 1961 & as per books of account for the year 2024-25	21.05	--
3.	Net Deferred Tax Assets as on 31.03.2025	255.40	--

33. (i) As per Ind AS 24, the disclosures of transactions with the related parties are given below:

A. Enterprises under the common control as the company :

- Shiva Textfabs Ltd.
- Shiva Specialty Yarns Ltd
- Yogindera Worsted Ltd
- Shiva Spinfabs Ltd
- Shiva Cottex Pvt. Ltd
- Shiva Texchem (Gujrat) Pvt. Ltd.
- Jai Guru Ji Food Processors Pvt. Ltd

B. Key Management Persons

- Mr. Gian Chand Thakur (Whole Time Director)
- Mr. Manoj Kumar (Non-Executive Director- Cessation date is 07.10.2024)
- Mr. AkhilMalhotra (Non-Executive Director)
- Mr. B.S.Goyal (Non-Executive Independent Director)
- Ms. MalkeetKaur (Independent Director – Cessation date is 07.10.2024)
- Mr. Surjit Singh (Independent Director)
- Ms. KajalRai (Independent Director - Joined on 02.09.2024)
- Mr. Sebastian Joseph (CFO - Cessation date is 01.03.2025)
- Mr. Ravi Passi (CFO - Joined on 25.03.2025)
- Ms.NancySingla (Company Secretary)
- Mr. Vinod Kumar Goyal (Executive Director & CEO – Joined on 22.07.2024 & Cessation date is 30.04.2025)
- Mr. Anil Singla (Additional Independent Director – Joined on 02.09.2024 & Cessation date is 30.09.2024)

C. Relative of Key Management Persons

- Mrs. IshaniBansal (Relative of Director - holding office or place of profit)

(ii) Disclosure of transactions between the company and related parties during the year and outstanding balances as on March 31, 2025.

Particulars	(Rupees in Lakhs)			
	Enterprises that are under common control as the company		Key Management Personnel / Relative of KMP	
	As At 31.03.2025	As At 31.03.2024	As At 31.03.2025	As At 31.03.2024
Director Sitting fees	--	--	1.43	0.30
Remuneration	--	--	37.91	0.00
Salary	--	--	21.98	0.00
Travelling & Other Expenses	--	--	0.33	0.00
Sale	1535.10	405.33	--	--
Purchase	2007.81	535.44	--	--
Rent	2.18	--	--	--
Investment in the shares of Shiva Textfabs Ltd. (Including Party Paid up shares & Shares Pending for Allotement)	9627.37	--	--	--

Note: Sale/Purchase/Rent figures are inclusive of GST

34. In the opinion of the management, all current assets, loan and advances their value if realized in the ordinary course of business, at least to the amount at which they are stated except expressly stated otherwise.

35. Balance of Sundry Debtors, Sundry Creditors and Loans and Advances are subject to confirmation and reconciliation.

36. Other Regulatory Information

- (i) The Company does not have any benami property where any proceedings have been initiated or pending against the Company for holding such benami property
- (ii) The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year under review.
- (iii) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (iv) The Company has not traded or invested in Crypto currency or virtual currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or;
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- (viii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (ix) The following charges are no satisfied beyond the Statutory Period and reasons detailed as follows

Charge Id	Charge holder's name	Date of Creation/ Modification	Amount (Rs.in Lakhs)	Remarks
80036826	The Industrial Credit And Investment Corp of India Ltd	16-MAR-1989	9.00	These are the Redundant Charges which could not be got satisfied. The company is in continuous following Ex Banks/Financial Institutions to get the "No Due Certificate".

- (x) The Company does not have any immovable property whose title deeds are not held in the name of the Company.
- (xi) As per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016, the Company is not a Core Investment Company (CIC) and the group does not have any CIC.
- (xii) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

37. The company had allotted 1,50,00,000 convertible warrants at a price of Rs. 10/- per warrant on 08.11.2023 to non-promoters on preferential basis with a right to the warrant holders to apply for and be allotted 1 fully paid up equity share of the company of face value of Rs. 1/- each at a premium of Rs. 9/- per share for each warrant with in a period of 18 months from the date of allotment of warrants. Out of it, following warrants converted into equity shares on receipts of 75% of issue price per warrant during the year under review.

Date of Conversion of Warrants into equity shares	No. of Equity Shares
25.05.2024	14000000
10.09.2024	1000000
Total	15000000

Further the company has allotted 2,07,65,000 convertible warrants at a price of Rs. 48/ per-warrant on 11.07.2024 to the promoter and non-promoters on preferential basis with a right to the warrant holders to apply for and be allotted 1 fully paid up equity share of the company of face value of Rs. 1/- each at a premium of Rs. 47/- per share for each warrant with in a period of 18 months from the date of allotment of warrants. Out of it, following warrants converted into equity shares on receipts of 75% of issue price per warrant during the year under review.

Date of Conversion of Warrants into equity shares	No. of Equity Shares
27.08.2024	4705000
10.09.2024	2940000
26.09.2024	2055000
24.10.2024	2083000
10.01.2025	1335000
Total	13118000

38. During the year under review, the company has invested in the equity shares of M/s Shiva Texfab Limited as per the details mentioned in below table

(Rupees in Lakhs)	
Particulars	Amount as on 31.03.2025
2339181 Eq.Shares of Rs.10/- each at price of Rs. 213.75 Each Fully paid up	5001.17
4701755 Eq.Shares of Rs.10/- each at price of Rs. 213.75 Each Partly paid up	4626.20
Total	9627.37

39. The Company has made assessment of the inventories carried during the year under review on the basis its nature and ageing. On the basis of its assessment the company has identified inventories amounting to Rs 426.47 Lacs as slow moving inventories and segregated it under the head " Other non current assets" in the Statement of Assets & Liabilities as at 31st March 2025.

40. Leases:

(i) Leases as Lessee

The company has long term lease contract for factory land situated plot no.43-44, Industrial area Barotiwala District Solan which has lease term for 99 years. Generally, The Company's obligations under its lease are secured by the lessor's title to the leased assets. The company is restricted from assigning and subleasing the leased assets.

The company also has certain leases of office premises and machinery and equipment with lease term of 12 months or less. The company applies the short term lease recognition exemptions for these leases.

Leases as lessee Right-of-use assets related to leased properties that do not meet the definition of investment property:

Particulars	(Rupees in Lakhs)	
	2024-25	2023-24
	Leasehold Land	Leasehold Land
Opening Balance	5.97	6.07
Depreciation expenses of right-of-use assets	0.11	0.10
Closing Balance	5.86	5.97

The following are the amounts recognized in statement of profit and loss:

Particulars	(Rupees in Lakhs)	
	2024-25	2023-24
Depreciation expenses of right-of-use assets	0.11	0.10
Expenses relating to short term leases (included in other expenses)	1.85	1.32
Total	1.96	1.42

Payments associated with short term leases are recognized on a straight line basis as an expense in statement of profit and loss. Short term leases are leases with a lease term of 12 months or less.

41. There are cheques amounting to Rs.10.00 Lacs issued in FY 2018-19 for the redemption of preference shares which are not yet cleared from the bank accounts of the company as on 31.03.2025. The same has been shown as Unclaimed Preference Shares redemption under the head other current liabilities at Note no.18

42. Payment to Auditors:-

(Rupees in Lakhs)

Particulars	As At 31.03.2025	As At 31.03.2024
Audit Fees	1.00	1.00
Tax Audit Fees	1.00	1.00
Total	2.00	2.00

43. The company is operating in single segment i.e Textiles i.e. Knitted Fabric and Blended Yarn. Hence segment reporting as required under INDAS108 (Operating Segments) is not applicable.

44. Major Customers

Detail of the Major Customers where sales of the company are more than 10%of the turnover of the company is as below:-

(Rupees in Lakhs)

Name	FY 2025	FY 2024
Shiva Texfabs Ltd	1299.50	642.99
Vinayak International	1193.51	1175.93

Note:Sale figures are net of GST.

45. Dues to Micro And Small Enterprises - As Per Micro, Small And Medium Enterprises Development Act, 2006 ('MSMED' ACT)

This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

(Rupees in Lakhs)

S. No.	Particulars	31 March 2025	31 March 2024
i)	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of accounting year; - Principal amount - Interest thereon	Nil Nil	31.82 Nil
ii)	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;	Nil	Nil
iii)	the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	Nil	Nil
iv)	The amount of interest accrued and remaining unpaid at the end of accounting year; and	Nil	Nil
v)	The amount of further interest 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	Nil	Nil

46. The summarized position of Post-Employment benefits and long term employee benefits recognized in the Profit & Loss Account and Balance Sheet as required in accordance with Indian Accounting Standard (Ind AS 19 Employee Benefits) are as under:

a. Gratuity

The principal assumptions used in actuarial valuation of gratuity are as below:

i) Economic Assumptions

	31/03/2025	31/03/2024
i) Discounting Rate	6.99	7.25
ii) Future salary Increase	5.00	5.00
iii) Expected Rate of return on plan assets	0.00	0.00

ii) Demographic Assumption

i) Retirement Age (Years)	58	58
ii) Mortality Table	IALM (2012-14)	
iii) Ages	Withdrawal Rate (%)	
Up to 30 Years	5.00	5.00
From 31 to 44 years	5.00	5.00
Above 44 years	5.00	5.00

iii) Actuarial Value(Rupees in Lakhs)

	Assets / Liability	31/03/2025	31/03/2024
A	Present value of obligation	22.50	18.65
B	Fair value of plan assets	--	--
C	Net assets / (liability) recognized in balance sheet as provision	(22.50)	(18.65)

iv) Bifurcation of PBO at the end of year as per revised schedule VI to the companies Act.

(Rupees in Lakhs)

		31/03/2025	31/03/2024
a)	Current liability (Amount due within one year)	2.22	1.99
b)	Non-Current liability (Amount due over one year)	20.28	16.67
c)	Total PBO at the end of year	22.50	18.65

b. Provident Fund

During the year the company has recognized an expense of Rs. 3.95 Lakhs (Previous Year Rs. 4.09Lakhs) towards provident fund scheme.

c. Leave Encashment and Bonus

During the year the company has recognized an expense of Leave Encashment and Bonus for Rs. 18.27 Lakhs and Rs. 19.17 Lakhs respectively (Previous Year 12.58 Lakhs and Rs. 17.47 Lakhs respectively)

47. The Ministry of Corporate Affairs introduced Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, which requires the Company to have a feature of recording audit trail (edit log) facility for its accounting softwares used for maintaining its books of account and the same has operated throughout the year for all relevant transactions recorded in the respective softwares. Accordingly, the company has enabled the audit trail (edit log) feature for its accounting softwares used for maintaining its books of account and the same has operated throughout the year for all relevant transactions recorded in the respective software.

48. *The figures of the previous year have been rearranged/ regrouped, wherever necessary to facilitate comparison.*

For Manjul Mittal & Associates

Chartered Accountants

Firm Reg.No.028039N

Manjul Mittal

Partner

M.NO. 500559

Dated: 29.05.2025

Place: Ludhiana

For and on behalf of the Board of Directors of

Rudra Ecovation Limited

Sd/-

Akhil Malhotra

(Director)

DIN:00126240

Sd/-
Nancy Singla
(Company Secretary)

Sd/-

Gian Chand Thakur

(Whole Time Director)

DIN:07006447

Sd/-
Ravi Passi
(CFO)

ANNUAL REPORT 2024-25



Event Highlights

Heimtextil Frankfurt



Plastics Recycling Show Middle East & Africa



International Events



Event Highlights

Textile Fairs India



Bharat Tex





Awards & Appreciation



EPR Leadership Award at Sustainability Leadership Delegation , Thailand



LIFA Awards 2025 – Best Sustainable Manufacturer Of India



GLOSSARY OF TERMS

This glossary provides definitions for key terms used in the Annual Report of Rudra Ecovation Limited for the financial year 2024-2025. Terms are listed alphabetically for easy reference.

- **AGM (Annual General Meeting):** A mandatory yearly meeting of a company's shareholders to discuss financial performance, elect directors, and approve key resolutions, as required under the Companies Act, 2013.
- **CIN (Corporate Identity Number):** A unique 21-digit alphanumeric code issued by the Ministry of Corporate Affairs (MCA) to identify registered companies in India, e.g., L43292HP1980PLC031020 for Rudra Ecovation Limited.
- **Circular Economy:** An economic model focused on minimizing waste and maximizing resource efficiency through recycling, reusing, and reducing consumption, aligning with Rudra's waste-to-product transformation processes.
- **CO2 Emission Saved:** The reduction in carbon dioxide released into the atmosphere, quantified in metric tons, achieved through recycling activities like converting PET waste into products.
- **Compliance Officer:** A designated officer, typically the Company Secretary, responsible for ensuring the company adheres to statutory and regulatory requirements under SEBI and Companies Act.
- **CSR (Corporate Social Responsibility):** Initiatives undertaken by companies to contribute to societal goals, such as environmental sustainability or community welfare, as mandated under Section 135 of the Companies Act, 2013.
- **DIN (Director Identification Number):** A unique 8-digit identifier issued by the MCA to individuals appointed as directors in Indian companies, used for tracking and compliance purposes.
- **Dope-Dyeing:** A sustainable dyeing process where color is added to raw materials before extrusion, reducing water usage and chemical waste in textile production.
- **Ecovation:** A coined term blending "eco" (ecological) and "innovation," representing Rudra's approach to creating sustainable solutions through innovative recycling and upcycling technologies.
- **ESG (Environmental, Social, and Governance):** A framework for evaluating a company's sustainability and ethical impact, with Rudra emphasizing ESG in its manufacturing and sourcing practices.
- **GRS (Global Recycled Standard):** An international certification verifying the recycled content in products and ensuring responsible production practices, held by Rudra for its upcycled fabrics.
- **Independent Director:** A non-executive director without material relationships with the company, appointed to ensure unbiased oversight and compliance with corporate governance norms under SEBI LODR.
- **Integrated Waste Plastic Recycler:** A facility that handles the full cycle of plastic waste management, from collection and processing to manufacturing end-products, as operated by Rudra.
- **ISO Certifications (e.g., ISO 9001, OEKO-TEX):** International standards for quality management (ISO 9001) and product safety (OEKO-TEX), certifying Rudra's processes for environmental and operational excellence.
- **LODR (Listing Obligations and Disclosure Requirements):** Regulations issued by SEBI governing listed companies' disclosures, governance, and compliance obligations.
- **MCA (Ministry of Corporate Affairs):** The Indian government ministry responsible for regulating corporate affairs, including company registrations, filings, and compliance.
- **OAVM (Other Audio-Visual Means):** A mode of conducting meetings virtually, as permitted by MCA circulars, allowing participation without physical presence.
- **PAN (Permanent Account Number):** A 10-digit alphanumeric identifier issued by the Income Tax Department for tracking financial transactions, often used alongside DIN for directors.



GLOSSARY OF TERMS

- **PET (Polyethylene Terephthalate):** A common plastic used in bottles and packaging, recycled by Rudra into flakes, fibers, and yarns for sustainable products.
- **rPET:** Recycled Polyethylene Terephthalate, derived from post-consumer waste, forming the basis of Rudra's eco-friendly fabrics and materials.
- **SEBI (Securities and Exchange Board of India):** The regulatory authority overseeing securities markets in India, enforcing compliance for listed entities like Rudra.
- **UDIN (Unique Document Identification Number):** A system-generated identifier by the Institute of Company Secretaries of India (ICSI) to authenticate documents signed by practicing Company Secretaries.
- **Upcycled Fabrics:** Materials created by repurposing waste (e.g., plastic bottles) into higher-value textiles, as produced under Rudra's Anaura brand.
- **VC (Video Conferencing):** A digital platform for conducting meetings remotely, compliant with MCA guidelines for AGMs.
- **Whole-Time Director:** A full-time executive director responsible for day-to-day operations, as defined under the Companies Act, 2013.

This glossary is intended to aid understanding and does not constitute legal or financial advice. For detailed interpretations, refer to relevant statutes and regulations.



REGISTERED OFFICE/ WORKS

Plot No. 43-44, Industrial Area, Barotiwala-174103 (Himachal Pradesh)

CORPORATE OFFICE

4th Floor, Woodstock, Tower, B-35/958, Adarsh Nagar, Ferozepur Road, Opposite
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