

NOTICE

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING OF THE MEMBERS OF MUZALI ARTS LIMITED FOR THE FINANCIAL YEAR 2024-2025 WILL BE HELD ON TUESDAY 30TH SEPTEMBER 2025 AT 03 PM (IST) THROUGH VIDEO CONFERENCING OR OTHER AUDIO-VISUAL MEANS, TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESS:

Item No. 1. To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended March 31, 2025 together with the Reports of the Board of Directors' and Auditors' thereon:

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

"RESOLVED THAT the audited standalone financial statements of the Company for the financial year ended March 31, 2025, together with the Reports of the Board of Directors and Auditors thereon, be and are hereby received, considered and adopted."

Item No. 2. To appoint a Director in place of Mr. Mansoorbhai Murtuza DIN 08965751, who retires by rotation and being eligible offered himself for re-appointment.

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

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Mansoorbhai Murtuza DIN 08965751, who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation".

SPECIAL BUSINESS:

Item No. 3. Appointment of M/s. Nuren Lodaya & Associates, practicing company secretaries, as the secretarial auditor of the company.

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

"RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions of the Companies Act, 2013, if any and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and subject to receipt of such other approvals, consents and permissions as may be required, M/s. Nuren Lodaya & Associates, Firm of Company Secretaries in Practice be and are hereby appointed as Secretarial Auditors of the Company for a term of upto 5 (Five) consecutive years, to hold office from the conclusion of this Annual General Meeting ('AGM') till the conclusion of the AGM of the Company to be held in the Year 2030, at a remuneration to be fixed by the Board of Directors of the Company or any Committee of the Board of Directors ('the Board').

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, things and to sign all such documents and writings as may be necessary to give effect to this resolution and for matters connected therewith or incidental thereto."

For Muzali Arts Limited
Sd/-
Mansoorbhai Murtuza
Director & Chief Financial Officer
DIN 08965751
Place: Nagpur
Date: 05th September 2025

Registered Address:
Plot No. 3 B-44
Near Manav Mandir Kantol Road Yerla,
Nagpur, Maharashtra, India, 441501

NOTES:

1. In continuation of Ministry's General Circular No. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021, 3/2022 dated May 5, 2022, 11/2022 dated December 28, 2022 and 09/2023 dated September 25, 2023, 09/2024 dated September 19, 2024 respectively (collectively referred to as "MCA Circulars") allowed, inter-alia, conduct of AGMs through Video Conferencing/ Other Audio-Visual Means ("VC/ AOV") facility on or before 30th September, 2025 in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020. The Securities and Exchange Board of India ("SEBI") also vide its Circular No. SEBI/HO/ CFD/PoD-2/P/CIR/2023/4 dated 5th January 2023 ("SEBI Circular") has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In compliance with these Circulars, provisions of the Act and the Listing Regulations, the Annual General Meeting of the Company ("AGM") is being held through VC/OAVM without the physical presence of the Members at a common venue. The registered office of the Company shall be deemed to be the venue for the AGM.
2. In terms of the MCA Circulars, physical attendance of members has been dispensed with and, therefore, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by members under Section 105 of the Act will not be available for the AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the members may be appointed for the purpose of voting through remote e-Voting through Board Resolution/Power of Attorney/ Authority Letter, etc., for participation in the AGM through VC/OAVM facility and e-Voting during the AGM and since the AGM is being held through VC/OAVM facility, the Route Map is not annexed in this Notice.
3. 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 for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. In line with the MCA Circulars, the Notice calling the AGM and Annual Report 2024-25 has been uploaded on the website of the Company at www.muzaliarts.com. The Notice and Annual Report 2024-25 can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com respectively and the AGM Notice is also available on the website of National Securities Depository Limited (NSDL) (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
5. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013 ("the Act").
6. Additional information on directors recommended for appointment/reappointment as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 issued by the Institute of Company Secretaries of India, is as follows:

Name of Director	Mansoorbhai Murtuza
Director Identification Number (DIN)	08965751
Date of birth	05/08/1973
Age	51 years
Nationality	Indian
Qualifications	Mr. Mansoorbhai Murtuza, aged 51 years, is involved in Furniture and ancillary business activity, and having over 20 years' experience in the field of furniture's and antique
Date of first Appointment on the Board	23/11/2020
Tenure with the Company	3 years w.e.f. 05th April 2024
Nature of his expertise in specific functional areas;	Mr. Mansoorbhai Murtuza, aged 51 years, is involved in Furniture and ancillary business activity, and having over 20 years' experience in the field of furniture's and antique
Relationships between Directors inter-se	None
List of the directorships held in other listed companies	None
Number of board Meetings attended during the year	6
Chairman/Member in the Committees of the Boards of companies in which he/she is Director	None

Number of Shares held in the Company as on March 31, 2025	91,93,997 Equity Shares of Re. 1/- each
Remuneration details	No past remuneration

7. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate Members intending to authorize their representatives to attend the AGM pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy of the relevant Board Resolution together with the respective specimen signatures of those representative(s) authorised under the said resolution to attend and vote on their behalf at the meeting.
8. In compliance with the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and various MCA Circulars, the Company is pleased to provide its Members with the e-Voting facility to exercise their right to vote on the proposed resolutions electronically. For this purpose, the Company has appointed CS Nuren Lodaya (Membership No. ACS 60128/ CP No. 24248) of M/s. Nuren Lodaya & Associates, as the Scrutinizer for conducting the e-Voting process in a fair and transparent manner.
9. 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 Act.
10. The Company has engaged NSDL eVoting System as the agency to provide the e-Voting facility and the instructions for e-Voting are provided as part of this Notice.
11. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the Cut-Off Date i.e., **Tuesday 23rd September 2025**.
12. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed Companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received transmission or transposition and relodged transfer of securities. Further SEBI vide Circular No. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated to physical shares and for ease of portfolio management. Member's holding shares in physical form are requested to consider converting their holding to dematerialized form. Members can contact the Company or the Company's Registrar and Transfer Agent for assistance in this regard.
13. Members who are holding shares in identical order or names in more than one folio are requested to write to the company to enable the company to consolidate their holdings in one folio.
14. The Register of Members and Share Transfer Register in respect of equity shares of the Company will remain closed from **Wednesday, 24th September 2025 to Tuesday, 30th September 2025** (both days inclusive).
15. In furtherance of Green Initiative in Corporate Governance by Ministry of Corporate Affairs, the Shareholders are requested to register their email id with the Company or with the Registrar and Transfer Agent (RTA).
16. Members are requested to intimate changes, if any pertaining to their name, postal address, email address, telephone/mobile number, Permanent Account Number (PAN), mandates, nominations, power of attorney, etc. to their DP's if the shares are held in electronic Form and to RTA if the shares are held in physical form.
17. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's share transfer agent. In respect of shares held in electronic/demat form, the members may please contact their respective depository participant.
18. Members may please note that SEBI has made Permanent Account Number (PAN) as the sole identification number for all participants transacting in the securities market, irrespective of the amount of such transactions.
19. If the shares are held in electronic form, then change of address and change in the Bank Account etc. should be furnished to their respective Depository Participants.
20. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available for inspection in electronic form without any fee by the Members seeking to inspect such documents can send an email to office@muzaliarts.com.
21. Instructions for Shareholders to remote E-voting and Joining Virtual Meeting are as under:

The remote e-voting period commences on **Friday, 26th September, 2025 (9:00 a.m. IST)** and ends on **Monday 29th September, 2025 (5:00 p.m. IST)**. During this period members of the Company, holding shares as on the cut-off date of **Tuesday 23rd**

September 2025, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

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





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

Step 1: Access to NSDL e-Voting system

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<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 URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 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 i.e. CDSL/NSDL/KARVY/LINKINTIME, 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 https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: center;">   </div> </div>
Individual Shareholders holding securities in demat mode with CDSL.	<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 Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 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 CDSL website www.cdslindia.com and click on login & New System Myeasi 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 a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the 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) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii)	<p>If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.</p> <ol style="list-style-type: none"> 6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password: <ol style="list-style-type: none"> a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com. b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com. c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc. d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL. 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box. 8. Now, you will have to click on "Login" button. 9. After you click on the "Login" button, Home page of e-Voting will open.
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Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

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

- After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csnuren@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Sagar S. Gudhate at evoting@nsdl.com

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

- In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to office@muzaliarts.com
- In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to office@muzaliarts.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
- Alternatively, shareholder/ members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

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

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

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

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at office@muzaliarts.com at least seven (7) days in advance before the start of the Annual General meeting. The same will be replied by the company suitably.
6. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
7. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker and send request from their registered e-mail address mentioning their name, demat account number/folio number, e-mail id, mobile number at office@muzaliarts.com at least seven (7) days in advance before the start of the meeting. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

For Muzali Arts Limited

Sd/-

Mansoorbhai Murtuza

Director & Chief Financial Officer

DIN 08965751

Place: Nagpur

Date: 05th September 2025

Registered Address:

Plot No. 3 B-44

Near Manav Mandir Kantol Road Yerla,

Nagpur, Maharashtra, India, 441501

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

Item No. 3. Appointment of M/s. Nuren Lodaya & Associates, practicing company secretaries, as the secretarial auditor of the company.

Pursuant to the amended provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations') vide SEBI Notification dated December 12, 2024 and provisions of Section 204 of the Companies Act, 2013 ('Act') and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on 05th September 2025 have approved and recommended the appointment of M/s. Nuren Lodaya & Associates, as Secretarial Auditors of the Company for a term of upto 5 (Five) consecutive years to hold office from the conclusion of this Annual General Meeting ('AGM') till the conclusion of the AGM of the Company to be held in the Year 2030 on following terms and conditions:

a. Term of appointment: Upto 5(Five) consecutive years from the conclusion of this AGM till the conclusion of the AGM of the Company to be held in the Year 2030.

b. Proposed Fees: Any amount as decided by the Board and not exceeding Rs. 35,000/- (Rupees Thirty-Five Thousand only) per Annum plus applicable taxes and other out-of-pocket expenses in connection with the secretarial audit for Financial Year ending March 31, 2026 and for subsequent year(s) of their term, such fee as determined by the Board. The proposed fees are based on knowledge, expertise, industry experience, time and efforts required to be put in by them, which is in line with the industry benchmark.

c. Basis of recommendations: The recommendations are based on the fulfilment of the eligibility criteria & qualification prescribed under the Act & Rules made thereunder and SEBI LODR Regulations with regard to the full-time partners, secretarial audit, experience of the firm, capability, independent assessment, audit experience and also based on the evaluation of the quality of audit work done by them in the past.

d. Credentials: M/s. Nuren Lodaya & Associates, Firm of Company Secretaries in Practice ('Secretarial Audit Firm'), The firm is registered with the Institute of Company Secretaries of India and has an experience of more than 5 years in providing various corporate law services. The Firm also holds a valid Peer Review Certificate and M/s. Nuren Lodaya & Associates have given their consent to act as Secretarial Auditors of the Company and confirmed that their aforesaid appointment (if made) would be within the prescribed limits under the Act & Rules made thereunder and SEBI LODR Regulations. They have also confirmed that they are not disqualified to be appointed as Secretarial Auditors in terms of provisions of the Act & Rules made thereunder and SEBI LODR Regulations.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution except to the extent of their shareholding, if any, in the Company. The Board of Directors of the Company recommends the resolution set out at Item Number 3 for approval of the Members as an Ordinary Resolution.

For Muzali Arts Limited

Sd/-

Mansoorbhai Murtuza

Director & Chief Financial Officer

DIN 08965751

Place: Nagpur

Date: 05th September 2025

Registered Address:

Plot No. 3 B-44

Near Manav Mandir Kantol Road Yerla,

Nagpur, Maharashtra, India, 441501

CORPORATE INFORMATION

MUZALI ARTS LIMITED

CIN L20100MH1995PLC322040

Email Id: office@muzaliarts.com | Mobile: 8655012379 | Website: office@muzaliarts.com

Registered Address: Plot No. 3 B-44 Near Manav Mandir Kantol Road Yerla, Nagpur, Maharashtra, India, 441501.

Board of Directors & Key Managerial Personal

DIN	Name	Designation
08965751	Mansoorbhai Murtuza	Director & CFO
09221054	Dinkal Manish Doshi	Independent Director
10581203	Naresh Gopani	Non - Executive Non -Independent Director
09629728	Sohan Chaturvedi	Independent Director
09629926	Siddhesh Shankar Shende	Independent Director
--	Lal Chand Sharma	Company Secretary & Compliance Officer

Statutory Auditors

M/S Bilimoria Mehta & Co
Chartered Accountants

Secretarial Auditor

Nuren Lodaya and Associates
Practicing Company Secretaries

Registrar or Transfer Agents

Satellite Corporate Services Pvt Ltd

Registered Address:

Office no. 106 & 107, Dattani Plaza,
East West Compound, Andheri Kurla Road,
Sakinaka, Mumbai, Maharashtra, 400072

Email: info@satellitecorporate.com

Website: www.satellitecorporate.com

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Annual Report together with the Audited Accounts of the Company for the Financial Year ended 31st March, 2025.

1. FINANCIAL RESULTS:

The Financial Highlights for the year under report are as under:

(Amount in Indian Rupees Lakhs)

Particulars	Standalone	
	31 st March 2025	31 st March 2024
Total Revenue	46.32	61.68
Total Expenses	327.99	168.63
Profit before tax	(281.67)	(106.95)
Profit after tax	(293.72)	(106.95)
Total Comprehensive Income for the period	(293.72)	(106.95)

2. TRANSFER TO RESERVES

There are no transfers to any specific reserves during the year.

3. THE STATE OF THE COMPANY'S AFFAIRS

During the year under review, your company achieved total revenue from operations of Rs. 46.32 lakhs (previous year Rs. 61.68 lakhs). The loss after tax (including other comprehensive income) is at Rs. (293.72) lakhs [previous year Rs. (106.95) lakhs].

4. SHARE CAPITAL

Authorised Share Capital:

The Authorised Share Capital of the Company is Rs. 6,00,00,000 divided in to 6,00,00,000 Equity Shares of Re. 1/- each.

Issued Subscribed, Paid-up Share and Listed Capital:

The Issued Subscribed, Paid-up Share and Listed Capital of the Company is Rs. 5,91,64,667 divided in to 5,91,64,667 Equity Shares of Re. 1/- each.

During the year there is no change in the Authorised Share Capital and Issued Subscribed and Paid-up Share Capital of the Company.

5. DIVIDEND

The board does not recommend any dividend for the financial year 2024-2025.

6. CASH FLOW AND CONSOLIDATED FINANCIAL STATEMENTS

As required under Regulation 34 of the Listing Regulations, a Cash Flow Statement and consolidated Financial Statement is part of the Annual Report.

7. THE CHANGE IN THE NATURE OF BUSINESS, IF ANY;

There is no change in the nature of business of the Company.

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

There was no transfer during the year to the Investor Education and Protection Fund in terms of Section 125 of the Companies Act, 2013.

9. CONSERVATION OF ENERGY-TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE ETC.

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished as **Annexure A** to Directors' Report.

10. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY.

The risk management committee compliance is not applicable to the Company.

11. COMMENTS BY THE BOARD ON QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE BY THE AUDITORS IN THEIR REPORT:**Statutory Auditor remarks in the Standalone audit report**

Basis for disclaimer of opinion

- The company has written off Debtor amounting to Rs. 14,49,809.15, advance payment amounting to Rs 2,100 & other balance written off amounting to Rs 25,25,606.88, Due to lack of proper documentation for the Debtor written-off, advances written off & other balance written off raises concerns about the completeness and accuracy of the accounts payable balance / advances balance sand the adequacy of the company's internal controls over financial reporting. Without sufficient evidence, we cannot determine whether the write-off is appropriate and whether the financial statements fairly present the company's financial position and results of operations.
 - As per the financial statements, Loans and Advances (net) amount to ₹6,55,20,161.00 as on March 31, 2025. We were unable to obtain independent balance confirmations or perform alternate audit procedures to verify these balances. In the absence of sufficient and appropriate audit evidence, we are unable to comment on the accuracy and recoverability of the reported Loans and Advances.
 - The audit of standalone financial statement for the year ended 31st March 2024, included in the result was carried out and reported by Gupta Ravi & Associates who has expressed disclaimer of opinion vide their report dated 7th December 2024 and basis of opinion are as follow:
- (i) The company has written off Creditor amounting to Rs 15,74,393.30, advance payment amounting to Rs 11,56,300 & other balance written off amounting to Rs 9,75,000.00, Due to lack of proper documentation for the creditor written-off , advances written off & other balance written off raises concerns about the completeness and accuracy of the accounts payable balance / advances balances and the adequacy of the company's internal controls over financial reporting. Without sufficient evidence, we cannot determine whether the write-off is appropriate and whether the financial statements fairly present the company's financial position and results of operations.
 - (ii) As per the financial statement, the total trade receivable outstanding amounts to Rs. 1,83,80,138,41/- and trade payable amounts to Rs. 15,92,102.40/- as on March 31, 2024. We are unable to obtain independent balance confirmations and perform any alternate procedures. We are unable to comment if any adjustments to the carrying value of trade receivable and trade payable is required if any.
 - (iii) As per the financial statement, the total Loan given amounting to Rs 5,08,28,307.00 and loan taken amounting to Rs 24,33,609 as on March 31, 2024. We are unable to obtain independent balance confirmations and perform any alternate procedures. In the absence of the same, we are unable to comment on the carrying value of Loan given.
 - (iv) Under the Micro, Small and Medium Enterprises Development Act, 2006 certain disclosures are to be made relating to Micro, Small and Medium Enterprises. The company has sought relevant information from its suppliers / providers of services under the Act, and since the relevant information has not been shared with us, we are unable to comment on the impact if any applicable.

We were unable to obtain sufficient appropriate audit evidence or adequate documentation to verify the basis of the disclaimer of opinion issued by the previous auditor, as referenced in points (i) to (iv) above.

- We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on financial statement.
 - We draw attention to the fact that audit of standalone financial statement for the year ended 31st March 2024, included in the annual return was carried out and reported by Gupta Ravi & Associates who has expressed disclaimer of opinion vide their report dated 7th December 2024 and basis of opinion are as follow:
- (i) The company has written off Creditor amounting to Rs 15,74,393.30, advance payment amounting to Rs 11,56,300 & other balance written off amounting to Rs 9,75,000.00, Due to lack of proper documentation for the creditor written-off , advances written off & other balance written off raises concerns about the completeness and accuracy of the accounts payable balance / advances balances and the adequacy of the company's internal controls over financial reporting. Without sufficient evidence, we cannot determine whether the write-off is appropriate and whether the financial statements fairly present the company's financial position and results of

operations.

- (ii) As per the financial statement, all the interest income was not recognized during the period under audit, we requested an explanation from the management regarding the omission of interest income. However, we did not receive any satisfactory explanation as to why interest income was not recognized for the entire period. In the absence of any information regarding the interest receivable to be booked, we are unable to comment on the impact of this on company's financial position and results of operations.
- (iii) We noted a significant deficiency in the documentation of sales transactions that occurred in the fourth quarter with no invoice, awaybill and GST return on record for verification. The lack of proper documentation for these sales transactions limited our ability to obtain sufficient appropriate audit evidence to support the accuracy and completeness of sales revenue recorded in the fourth quarter. This significantly impacts our assessment of the risk of material misstatement in the financial statements. Due to this we are unable to comment on whether the financial statements fairly present the company's financial position and results of operations.
- (iv) The Company failed to provide us with the GST reconciliation statement / GST return for the period under review. These reconciliation / return statement are crucial for verifying the accuracy and completeness of GST-related entries in the financial statements. In the absence of the same, we are unable to comment on the financial position and result of operations.
- (v) Lack of Supporting Documentation for Professional Fees & Employee Benefit Details. This limitation restricted our ability to verify the accuracy and completeness of expenses related to professional fees & Employee Benefit Exp. In the absence of the same, we are unable to comment on the financial position and result of operations.
- (vi) The company has not recorded expenses for electricity, warehouse rent, and employee provident fund contributions. The omission of expenses will result in an understatement of expenses and an overstatement of net income for the period. In the absence of the same, we are unable to comment on the financial position and result of operations.
- (vii) As per the financial statement, the total trade receivable outstanding amounts to Rs. 1,83,80,138,41/- and trade payable amounts to Rs. 15,92,102.40/- as on March 31, 2024. We are unable to obtain independent balance confirmations and perform any alternate procedures. We are unable to comment if any adjustments to the carrying value of trade receivable and trade payable is required if any.
- (viii) As per the financial statement, the total Loan given amounting to Rs 5,08,28,307.00 and loan taken amounting to Rs 24,33,609 as on March 31, 2024. We are unable to obtain independent balance confirmations and perform any alternate procedures. In the absence of the same, we are unable to comment on the carrying value of Loan given.
- (ix) Under the Micro, Small and Medium Enterprises Development Act, 2006 certain disclosures are to be made relating to Micro, Small and Medium Enterprises. The company has sought relevant information from its suppliers / providers of services under the Act, and since the relevant information has not been shared with us, we are unable to comment on the impact if any applicable.
- (x) The amount represented under the head (Cash in hand), we have not been provided by the management with any appropriate information, explanation and justification for such a cash balance as well as transactions carried out by the company in cash. On account of this and in the absence of documentation we are unable to verify and form an opinion on such cash and cash transactions carried out by the company.
- (xi) Secretarial Compliances have not been done by the company since last two financial year. Also presently there is no compliance officer in the company who can be held responsible for this. Due to this we are unable to comment on the penal / legal consequences on the financial position and result on operations.
- (xii) The company's continued existence is severely threatened. Since October 2023, it has operated without any employees, has liquidated its entire inventory at a loss, No steps have been taken by the company to lift the trading suspension imposed by the Bombay Stock Exchange (BSE) and has completely neglected its secretarial obligations. These critical factors cast serious doubt on the company's ability to remain in business. These conditions indicate uncertainty that may cast significant doubt on the company's ability to continue as going concern.

We have been relied upon above points for the purpose of our review of the Audited result. Our opinion is also modified to the extent reflected in above points.

- Attention is hereby drawn to Company had purchased 80% stake in Jalan & Jalan Collection Inc during FY 2020-21. During FY 2022-23, dispute arose between Company & minority shareholder & company filed a case against the minority shareholder alleging misfeasance, misrepresentation & misappropriation at District Mediation Center, Nagpur on 19-05-2022.

Company has been trying relentlessly to obtain sufficient data from Subsidiary in order to facilitate Consolidation of financials for reporting purposes. However, due to unavailability of subsidiary financial data, the company has not been able to present consolidated financial statements since June' 21 quarter. It is also be noted company has no active operation since October 2022.

Company has during current year again made an assessment of its Control and power over subsidiary as per Ind AS 110 & management has determined that the company does not possess significant control and power over its subsidiary, Jalan Jalan Collection Inc., despite holding an 80% shareholding. Hence, Jalan & Jalan Collection Inc., does not qualify as a subsidiary.

Next step on evaluation done by Management was whether the investment qualifies as an Investment in Associate as per Ind AS 28. As per Ind AS 28, If an entity holds, directly or indirectly (eg through subsidiaries), 20 per cent or more of the voting power of the investee, it is presumed that the entity has significant influence, unless it can be clearly demonstrated that this is not the case. An entity loses significant influence over an investee when it loses the power to participate in the financial and operating policy decisions of that investee. The loss of significant influence can occur with or without a change in absolute or relative ownership levels. Management is of the view that the Company has no role to play in any financial or operating decisions of Jalan & Jalan Collection Inc. as the same is under control of Minority shareholder & hence Company is unable to exercise significant influence by virtue of its shareholding.

On review, management also concluded that previous classification of Jalan & Jalan Collection Inc., as a subsidiary in previous financials was erroneous & it was never a subsidiary. As per Ind AS 8, retrospective effect needs to be given for Prior period error. However, since Company has not presented consolidated financial statements since June' 21, management concludes that restated results would be similar to standalone financials with the only exception being that Investments in Jalan & Jalan Collection Inc. would not be classified as Investment in Subsidiary under Schedule for Investments.

Consequently, the company has not prepared consolidated financial statements in accordance with Ind AS 110 & will account for investment in Jalan & Jalan Collection Inc. as per Ind AS 109 - Financial Instrument.

As per Ind AS 109, Company records Investments in equity instruments at Fair value through Profit and Loss account. Company has obtained a fair valuation report on 27th April, 2024 for it's investment in Jalan & Jalan Collection Inc. Based on valuation report, fair value of the company is Rs. -76,736.87/- based on whatever past data was available with the company. Hence, management has recorded the Investment in Jalan & Jalan Collection Inc. at zero rupees in its books.

Directors' comment on remarks

The detailed comment on the same has been mentioned in the Statement on Impact of Audit Qualifications standalone & consolidated for the year ended 31st March 2024.

Secretarial Auditor remarks in the Secretarial audit report

- i) Disclaimer of Opinion in the Auditors Report.
- ii) The company had received Notice No. 20240327-24 on 27th March 2024 from BSE Limited for Suspension of trading in securities of companies for non-compliances with provisions of certain Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- iii) The Company has filed the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2024 on 07th December 2024;
- iv) The Company has not appointed a Company Secretary & Compliance Officer since 17th October 2024, in violation of Section 203 of the Companies Act, 2013 and Regulation 6 of SEBI (LODR) Regulations, 2015.
- v) The Company has uploaded Annual Report for FY 23-24 beyond the prescribed time period as per Regulation 34(1) of SEBI LODR.

Directors' comment on remarks

- i) The Company has submitted its detailed comments in the Statement on Impact of Audit Qualifications (Standalone and Consolidated) for the year ended 31st March, 2024;
- ii) In response to the Notice No. 20240327-24 on 27th March 2024 from BSE Limited for Suspension of trading in securities the Company has filed Revocation In Principal Approval on 10th April 2024 with BSE Limited and the same is under process.
- iii) We confirm that the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2024 were filed on 07th December 2024;
- iv) The Company has appointed a Company Secretary & Compliance Officer on 06th June 2025. The delay in appointment was unintentional, and the Company has since complied with the provisions of Section 203 of the Companies Act, 2013 and Regulation 6 of the SEBI (LODR) Regulations, 2015.
- v) We confirm that the Annual Report for FY 23-24 beyond the prescribed time period as per Regulation 34(1) of SEBI LODR.

12. INTERNAL CONTROL SYSTEM

The Company's internal controls system has been established on values of integrity and operational excellence and it supports the vision of the Company "To be the most sustainable and competitive Company in our industry". The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by Statutory as well as Internal Auditors and their significant audit observations and follow up actions thereon are reported to the Audit Committee.

13. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The provisions of Section 135 of the Companies Act relating to Corporate Social Responsibility are not applicable as the Company is having Net worth less than rupees Five Hundred Crore, Turnover less than rupees One Thousand Crore and Net Profit less than rupees Five Crore.

14. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The particulars of investments made and loans given to subsidiaries has been disclosed in the financial statements. Also, Company has not given any guarantee during the year under review.

15. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large or which warrants the approval of the shareholders. The details of the transactions with Related Party are provided in the Company's financial statements (note 24) in accordance with the Accounting Standards.

All Related Party Transactions are presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions. The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at office@muzaliarts.com

16. POLICY ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has zero tolerance towards sexual harassment at the workplace and towards this end, has adopted a policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act/ Posh Act was enacted by the Government of India in 2013. It is a major step by the GOI for preventing any form of misconduct on the women at workplace. POSH Act is applicable on each and every Company, workspace, establishment or organisation employing 10 or more employees whether full time, part time, interns or on contract, irrespective of its nature of industry of location.

17. ANNUAL RETURN

Pursuant to the provisions of Section 92(3) of Companies Act, 2013 following is the link for Annual Return 2024-2025 office@muzaliarts.com

18. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

During the financial year, the Board met 07 times during the financial year.

19. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013 The Board of Directors of the Company hereby confirm:

- That in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure.
- That the selected accounting policies were applied consistently and the directors 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 as on 31st March, 2025, and that of the profit of the Company for the year ended on that date.
- That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- That the annual accounts have been prepared on a going concern basis.
- The Board has 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 have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

21. PARTICULARS OF EMPLOYEES AND REMUNERATION

The information required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as **Annexure B** to this report. In terms of provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits set out in the said Rules, if any, forms part of the Report. The Nomination and Remuneration Committee of the Company has affirmed at its meeting held on 28th March, 2025 that the remuneration is as per the remuneration policy of the Company. The policy is available on the Company's website office@muzaliarts.com

22. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

As on date the following are the Director and Key Managerial Personnel of The Company.

DIN	Name	Designation
08965751	Mansoorbhai Murtuza	Director & CFO
09221054	Dinkal Manish Doshi	Independent Director
10581203	Naresh Gopani	Non - Executive Non -Independent Director
09629728	Sohan Chaturvedi	Independent Director
09629926	Siddhesh Shankar Shende	Independent Director

During the year the following changes have taken place.

Name of Director KMP	Designation	Event	Date
Mr. Naresh Gopani	Non-Executive Non- Independent Director	Appointment	05-04-2024
Ms. Pallavi Ronit Passwala	Company Secretary & Compliance Officer	Resignation	16-10-2024
Mr. Lalit Raut	Director	Resignation	09-04-2024

23. ATTRIBUTES, QUALIFICATIONS & INDEPENDENCE OF DIRECTORS, THEIR APPOINTMENT AND REMUNERATION

The Nomination & Remuneration Committee of Directors have approved a Policy office@muzaliarts.com for Selection, Appointment and Remuneration of Directors which inter-alia requires that composition and remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and senior management employees and the Directors appointed shall be of high integrity with relevant expertise and experience so as to have diverse Board and the Policy also lays down the positive attributes/ criteria while recommending the candidature for the appointment as Director

24. DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfil all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant SEBI Listing Regulations.

25. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The familiarisation program aims to provide Independent Directors with the pharmaceutical industry scenario, the socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company, significant developments so as to enable them to take well informed decisions in a timely manner. The familiarisation program also seeks to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes. The policy on Company's familiarisation program for Independent Directors is posted on Company's website at office@muzaliarts.com

26. STATUTORY AUDITORS

M/s. Bilimoria Mehta & Co., Chartered Accountants, (Firm Registration No. 101490W), were appointed as Statutory Auditors for a period of 5 years, commencing from the conclusion of the 29th Annual General Meeting held on 30th September 2024 till the conclusion of the 34th Annual General Meeting of the Company to be held in the year 2029.

The Notes on Financial Statements referred to in the Auditors Report are self-explanatory and do not call for any further comments. The qualification, reservation, observation, adverse remark, or disclaimer reported in the Statutory Auditors report for the year ended 31st March 2025 forming part of the Annual Report are self-explanatory and do not call for any further comments.

Further, The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

27. SECRETARIAL AUDIT REPORT

A Secretarial Audit was conducted during the year by the Secretarial Auditor, M/s. Nuren Lodaya and Associates, Practicing Company Secretaries, Mumbai, in accordance with Provisions of Section 204 of the Act. The Secretarial Auditors Report is attached as **Annexure C** and forms part of this Report

28. COST RECORDS AND COST AUDIT

The provision of the Companies (Cost Records and Audit) Rules, 2014 is not applicable to the Company. Maintenance of cost records as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 was not applicable for the business activities carried out by the Company for the FY 2024-2025. Accordingly, such accounts and records are not made and maintained by the Company for the said period.

29. CORPORATE GOVERNANCE

The Company is committed towards maintaining the highest standards of Corporate Governance and adhering to the Corporate Governance requirements as set out by Securities and Exchange Board of India. The provision of Corporate Governance is not applicable to the Company.

30. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management's Discussion and Analysis Report for the year under review, as stipulated under regulation 34 (3) and Part B of schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this Annual Report as **Annexure D**.

31. SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Holding, Subsidiary, Joint Ventures And Associate Companies.

32. VIGIL MECHANISM

The Company has established a vigil mechanism policy to oversee the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimisation of employees and Directors who express their concerns. The Company has also provided direct access to Mr. Mansoorbhai Murtuza on reporting issues concerning the interests of co-employees and the Company. The Vigil Mechanism Policy is available at the website of the Company.

33. REPORTING OF FRAUD BY AUDITORS

During the year under review, the Internal Auditors, Statutory Auditors and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Act, details of which needs to be mentioned in this Report.

34. PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, your Company has devised a policy containing criteria for evaluating the performance of the Executive, Non-Executive and Independent Non-Executive Directors, Key Managerial Personnel, Board and its Committees based on the recommendation of the Nomination & Remuneration Committee. Feedback was sought by way of a structured questionnaire covering various aspects of the Board's functioning, such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations, and governance. The manner in which the evaluation has been carried out is explained in the Corporate Governance Report, forming part of this Annual Report.

The Board of Directors of your Company expressed satisfaction about the transparency in terms of disclosures, maintaining higher governance standards and updating the Independent Directors on key topics impacting the Company.

35. 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

There are no material changes and commitments affecting the financial position of the Company occurred

during the financial year.

36. THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the year there has been no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future.

37. COMMITTEES OF THE BOARD

In accordance with the Companies Act, 2013, the Board has formed a Risk Management Committee. There are currently seven Committees of the Board, as follows:

- Audit Committee:
- Nomination and Remuneration Committee:
- Stakeholders' Relationship Committee.

AUDIT COMMITTEE

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013 read with regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee as on the date of the report comprises of 3 Non-Executive Independent Directors.

As on date following are the members of the Committee as mentioned below.

Sr. #	Name of Director	Position	Designation
1	Sohan Chaturvedi	Chairperson	Non-Executive Independent Director
2	Siddhesh Shankar Shende	Member	Non-Executive Independent Director
3	Dinkal Manish Doshi	Member	Non-Executive Independent Director

During the year there were in total 4 Audit committee meetings. The Chairperson of Audit Committee was present in previous AGM held on 30 Dec 2024 to answer shareholder's queries.

Broad terms of reference of the Audit Committee are as per following:

The role of the audit committee shall include the following:

- 1 Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 2 Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- 3 Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 4 Reviewing with the management, the quarterly financial statements before submission to the board for approval;
- 5 Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process.
- 7 Approval or any subsequent modification of transactions of the listed entity with related parties.
- 8 Evaluation of internal financial controls and risk management systems.
- 9 reviewing, with the management, performance of statutory and Internal Auditors, adequacy of the internal control systems.
- 10 Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- 11 Discussion with internal auditors of any significant findings and follow up there on.
- 12 Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- 13 Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 14 To review the functioning of the whistle blower mechanism.
- 15 Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.
- 16 Carrying out any other function as is mentioned in the terms of reference of the audit committee

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Section 178 of the Companies Act, 2013 read with regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Committee comprises of 3 Non-Executive Independent Directors.

The Following are the members of the Committee as mentioned below.

Sr. #	Name of Director	Position	Designation
1	Sohan Chaturvedi	Chairperson	Non-Executive Independent Director
2	Siddhesh Shankar Shende	Member	Non-Executive Independent Director
3	Dinkal Manish Doshi	Member	Non-Executive Independent Director

The Nomination and Remuneration Committee met on 3 time during the year.

The necessary quorum was present in the said meetings.

The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on 30 Dec 2024.

Role of nomination and remuneration committee, inter-alia, include the following:

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) Devising a policy on diversity of board of directors;
- (4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
- (5) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- (6) To recommend to the Board all remuneration, in whatever form, payable to senior management.

The policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters is available on company's website.

Remuneration of Directors

The remuneration of the Managing Director and Whole- Time Director is recommended by the Remuneration Committee and then approved by the Board of Directors and subsequently by the shareholders in general meeting within the limits prescribed in Companies Act, 2013.

Criteria for making payments

Non-Executive Directors of the Company are paid sitting fees for attending Board and Committee Meetings and no Commission is drawn by either of them during the year.

Performance evaluation criteria for Independent Directors:

- 1) Attendance and participations in the meetings.
- 2) Preparing adequately for the board meetings.
- 3) Contribution towards strategy formation and other areas impacting company performance
- 4) Rendering independent, unbiased opinion and resolution of issues at meetings.
- 5) Safeguard of confidential information.
- 6) Initiative in terms of new ideas and planning for the Company.
- 7) Timely inputs on the minutes of the meetings of the Board and Committee's.
- 8) Raising of concerns to the Board

Remuneration Policy

The Nomination and Remuneration Policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013 is available at the website of the Company: www.muzaliarts.com Further, criteria of making payments to non-executive directors, the details of remuneration paid to all the Directors and the other disclosures required to be made under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been published below:

STAKEHOLDER RELATIONSHIP COMMITTEE

The Stakeholder Relationship Committee of the Company is constituted in line with Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee comprises of 3 Non-Executive Independent Directors.

As on date following are the members of the Committee as mentioned below.

Sr. #	Name of Director	Position	Designation
1	Sohan Chaturvedi	Chairperson	Non-Executive Independent Director
2	Siddhesh Shankar Shende	Member	Non-Executive Independent Director
3	Dinkal Manish Doshi	Member	Non-Executive Independent Director

The committee investigates the shareholders and investors grievances that are not settled at the level of Compliance Officer and helps to expedite the share transfers and related matters. The Committee periodically reviews the status

of stakeholders' grievances and redressal of the same.

The Committee met on 4 time during the year.

The necessary quorum was present for all the meetings. The Chairman of the Committee was present at the last Annual General Meeting of the Company held on 30 Dec 2024.

The role of the committee shall inter-alia include the following:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the Company.]

38. OTHER DISCLOSURES

The Company does not have any Employees Stock Option Scheme in force and hence particulars are not furnished, as the same are not applicable. No proceedings against the Company is initiated or pending under the Insolvency and Bankruptcy Code, 2016. The details of difference between amount of the valuation done at the time of onetime settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof – Not Applicable.

39. POLICIES

The Company seeks to promote highest levels of ethical standards in the normal business transactions guided by the value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates formulation of certain policies for listed companies. The Policies are reviewed periodically by the Board and are updated based on the need and compliance as per the applicable laws and rules and as amended from time to time. The policies are available on the website of the Company at office@muzaliarts.com

40. COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS

Your Directors hereby confirm that the Company has complied with the necessary provisions of the revised Secretarial Standard 1 and Secretarial Standard 2 to the extent applicable to the Company.

41. ENHANCING SHAREHOLDER VALUE

Your company firmly believes that its success, the marketplace and a good reputation are among the primary determinants of value to the shareholder. The organisational vision is founded on the principles of good governance and delivering leading-edge products backed with dependable after sales services. Following the vision your Company is committed to creating and maximising long-term value for shareholders.

42. CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion & Analysis describing the Company's objectives, expectations or forecasts may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operation include global and domestic demand and supply conditions affecting selling prices of raw materials, finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within and outside the country and various other factors.

43. ACKNOWLEDGEMENTS

Your Directors take this opportunity to express their sincere appreciation and gratitude for the continued co-operation extended by shareholders, employees, customers, banks, suppliers and other business associates.

By Order Of The Board For Muzali Arts Limited

Sd/-

Mr. Mansoorbhai Murtuza

Director & CFO

Din: 08965751

Date: 05th September 2025

ANNEXURE A TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2025

Information pursuant to the Companies (Accounts) Rules, 2014

(A) Conservation of Energy

- i) The steps taken or impact on conservation of energy: NIL
- ii) The steps taken by the company for utilizing alternate sources of energy: NIL
- iii) The capital investment on energy conservation equipment's: NIL

(B) Technology Absorption

- i) The efforts made towards technology absorption: NIL
- ii) The benefits derived like product improvement, cost reduction, product development or import substitution:
 - Better economy, reduction in emission & clean operation;
 - Optimum efficiency
- iii) In case of imported technology (imported during the last year reckoned from the beginning of the financial year): NIL
 - The details of technology imported: NIL
 - The year of import: NIL
 - Whether the technology fully absorbed: NIL
 - If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; NIL and
- iv) The expenditure incurred on Research and Development: NIL

(C) Foreign Exchange Earnings 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 are as under:

Total Foreign Exchange Earned: NIL Total

Foreign Exchange Used: NIL

ANNEXURE B TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2025

MEDIAN REMUNERATION

The information required under section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below.

a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name of the directors	Ratio to median remuneration
Non-executive directors	
Dinkal Manish Doshi	Nil
Naresh Gopani	Nil
Sohan Chaturvedi	Nil
Siddhesh Shankar Shende	Nil
Executive directors	
Mansoorbhai Murtuza	Nil

b. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% Increase in remuneration in the financial year
Mansoorbhai Murtuza	Nil
Pallavi Ronit Passwala	Nil

c. The percentage increase in the median remuneration of employees in the financial year: Nil

d. The number of permanent employees on the rolls of Company: 3

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

The average annual increase was around Nil

Increase in the managerial remuneration for the year was Nil

f. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Nomination and Remuneration Committee of the Company has affirmed at its meeting held on 28th March 2025 that the remuneration paid is as per the remuneration policy of the Company. The Policy is available on the Company's Website.

g. There are no employees drawing salary in excess of 120 Lakhs as stipulated under section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

ANNEXURE C TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2025

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2025

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

To,
The Members, Muzali Arts Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MUZALI ARTS LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorised representatives during the conduct of secretarial audit and as per the explanations given to us and the representations made by the Management, I hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March 2025** generally 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 have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March 2025** according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under to the extent applicable;
- II. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent applicable to the Company: -
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - e. The Company has complied with the requirements under the Equity Listing Agreements entered into with BSE Limited.

VI. The Management has identified and confirmed the applicable Acts, Laws and Regulations specifically applicable to the Company.

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

- a) Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India.
- b) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (with effect from 01st December, 2015);

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards as mentioned above except:

- The company had received Notice No. 20240327-24 on 27th March 2024 from BSE Limited for Suspension of trading in securities of companies for non-compliances with provisions of certain Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- The Company has filed the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2024 on 07th December 2024;
- The Company has not appointed a Company Secretary & Compliance Officer since 17th October 2024, in violation of Section 203 of the Companies Act, 2013 and Regulation 6 of SEBI (LODR) Regulations, 2015.
- The Company has uploaded Annual Report for FY 23-24 beyond the prescribed time period as per Regulation 34(1) of SEBI LODR.
- The following SOP Fines has been levied on the Company.

Regulations	Quarter/ Month	Non-Submission / Late submission
SOP-Reg-33	Jun-24	Late submission
SOP-Reg-33	Sep-24	Late submission
SOP-Reg-33	Dec-24	Late submission
SOP-Reg-33	Mar-23	Late submission
SOP-Reg-33	Jun-23	Late submission

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

- a. Secretarial Standards issued by the Institute of Company Secretaries of India
- b. The Listing Agreements entered into by the Company with Stock Exchange.

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

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the year under review following changes took place in the composition of the Board of Directors and Key Managerial Personnel of the company:

Name of Director KMP	Designation	Event	Date
Naresh Gopani	Non-Executive Non-Independent Director	Appointment	05-04-2024
Pallavi Ronit Passwala	Company Secretary and compliance Officer	Resignation	16-10-2024

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

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

For Nuren Lodaya & Associates Practicing Company Secretary CS Nuren Lodaya

Sd/- Proprietor

M.No.60128

PCS No.24248

UDIN: A060128G001026381

Place: Mumbai Date: 18/08/2025

'ANNEXURE'

To,
The Members,
MUZALI ARTS LIMITED

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. I 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. I believe that the processes and practices we followed, provide a reasonable basis for our opinion.
3. I have not verified the correctness, appropriateness of financial records and books of accounts of the Company.
4. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the Company or of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Nuren Lodaya & Associates Practicing Company Secretary CS Nuren Lodaya
Sd/- Proprietor
M.No.60128
PCS No.24248
UDIN: A060128G001026381
Place: Mumbai
Date: 18/08/2025

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members, Muzali Arts Limited

I/We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Muzali Arts Limited having CIN L20100MH1995PLC322040 and having registered office at Plot No. 3 B-44 Near Manav Mandir Kantol Road Yerla, Nagpur, Nagpur, Maharashtra, India, 441501 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my/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 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.

Sr. No	DIN	Name	Designation
1	08965751	Mansoorbhai Murtuza	Director & CFO
2	09221054	Dinkal Manish Doshi	Independent Director
3	10581203	Naresh Gopani	Non - Executive Non -Independent Director
4	09629728	Sohan Chaturvedi	Independent Director
5	09629926	Siddhesh Shankar Shende	Independent Director

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.

For Nuren Lodaya & Associates Practicing Company Secretary CS Nuren Lodaya

Sd/- Proprietor
M.No.60128
PCS No.24248
UDIN: A060128G001026390
Place: Mumbai
Date: 18/08/2025

ANNEXURE D TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2025**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Your directors have pleasure in presenting the Management Discussion and Analysis report for the year ended on 31st March 2025.

INDUSTRY STRUCTURE & DEVELOPMENT: The Directors of the Company are making efforts to revive the business as the industry is not functioning properly.

PERFORMANCE & SEGMENT-WISE PERFORMANCE: The Company trades in a single business segment. The Company has passed through a very unusual phase, any worthwhile comparison of performance between two periods would be inconclusive. There is, yet, considerable scope for improvement.

OPPORTUNITIES AND THREATS: The threats to the segments in which the Company operates are volatility in exchange rates, pricing pressure arising due to competition from low-cost suppliers, technology up gradation, sever competition among competitor and newly emerging competitive nations and stricter environment laws. Further the Indian economy is now integrated with the world economy to a very large extent and therefore vulnerable to the direct impact of global slowdown; such an impact could adversely affect the Company's performance as well. Therefore, the Company has decided to close down the manufacturing activity and concentrate on the trading activities and exploring the possibilities of the merger of the Company with profit making and financially strong Company having good potentials for future growth.

STRENGTH: The existing management has a strong technical, finance and administrative expertise in various industries and corporate sectors including the business of the Company.

RISKS AND CONCERNS: Since the Company is into trading activity, it is attributed to all the risks and concerns attached with the trading industries as a whole. The Company has formulated a policy and process for risk Management.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY: The internal control system is looked after by Directors themselves, who also looked after the day today affairs to ensure compliances of guide lines and policies adhere to the management instructions and policies to ensure improvements in the system. The Internal Audit reports are regularly reviewed by the management. The Company has proper and adequate internal control system commensurate with the size of the business operations geared towards achieving efficiency in its various business operations, safeguarding assets, optimum utilization of resources and compliance with statutory regulations. Efforts for continued improvement of internal control system are being consistently made in this regard.

HUMAN RESOURCES VIS-À-VIS INDUSTRIAL RELATIONS:

The Company values and appreciates the dedication and drive with which its employees have contributed towards improved performance during the year under review. The relations with workers and staff are cordial during the year under review. All issues pertaining to staff matters are resolved inharmonious and cordial manner.

CAUTIONARY STATEMENT: Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic

and overseas markets in which the Company operates changes in the Government regulations, tax laws, and other statutes and other incidental factors.

COMPLIANCE WITH THE CODE OF CONDUCT AND ETHICS

In accordance with Regulation 17(5)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and Senior Management Personnel of the Company have confirmed compliance with the Code of Business Conduct and Ethics for the financial year ended 31st March, 2025.

For and behalf of Muzali Arts Limited Sd/-
Mansoorbhai Murtuza Director
DIN 08965751
Date: 05th September 2025

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

To,
The Board of Directors,
Muzali Arts Limited Plot
No. 3 B-44,
Near Manav Mandir, Kantol
Road Yerla, Nagpur,
Maharashtra, India, 441501

I, Mansoorbhai Murtuza Director of the Company, hereby certify that for the financial year, ending 31st March, 2025;

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading;
(ii) these statements present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- (b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and 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 steps taken or proposed to be taken for rectifying these deficiencies.
- (d) I have indicated to the Auditors and the Audit Committee:
- (i) significant changes, if any, in the internal control over financial reporting during the year. (ii) significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
- (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and behalf of Muzali Arts Limited Sd/-

Mansoorbhai Murtuza

Director

DIN 08965751

Date: 05th September 2025

Independent Auditor's Report

To the Members of Muzali Arts Limited

Report on the Audit of Financial Statements

Disclaimer of Opinion

We have audited the accompanying standalone annual financial results ('the Statement') of Muzali Arts Limited ('the Company') for the year ended 31 March 2025, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time.

We do not express any opinion on the accompanying financial statements of the entity because of the significance of the matters described in the basis for disclaimer of opinion section of our report. Due to our inability to obtain sufficient appropriate audit evidence, particularly regarding the matters described in the 'Basis for Disclaimer of Opinion' section, we are unable to form an opinion on the fairness of these standalone financial statements in all material respects.

Basis for disclaimer of opinion

- The company has written off Debtor amounting to Rs. 14,49,809.15, advance payment amounting to Rs 2,100 & other balance written off amounting to Rs 25,25,606.88, Due to lack of proper documentation for the Debtor written-off, advances written off & other balance written off raises concerns about the completeness and accuracy of the accounts payable balance / advances balance and the adequacy of the company's internal controls over financial reporting. Without sufficient evidence, we cannot determine whether the write-off is appropriate and whether the financial statements fairly present the company's financial position and results of operations.
- As per the financial statements, Loans and Advances (net) amount to ₹6,55,20,161.00 as on March 31, 2025. We were unable to obtain independent balance confirmations or perform alternate audit procedures to verify these balances. In the absence of sufficient and appropriate audit evidence, we are unable to comment on the accuracy and recoverability of the reported Loans and Advances.
- The audit of standalone financial statement for the year ended 31st March 2024, included in the result was carried out and reported by Gupta Ravi & Associates who has expressed disclaimer of opinion vide their report dated 7th December 2024 and basis of opinion are as follow:
 - (v) The company has written off Creditor amounting to Rs 15,74,393.30, advance payment amounting to Rs 11,56,300 & other balance written off amounting to Rs 9,75,000.00, Due to lack of proper documentation for the creditor written-off, advances written off & other balance written off raises concerns about the completeness and accuracy of the accounts payable balance / advances balances and the adequacy of the company's internal controls over financial reporting. Without sufficient evidence, we cannot determine whether the write-off is appropriate and whether the financial statements fairly present the company's financial position and results of operations.
 - (vi) As per the financial statement, the total trade receivable outstanding amounts to Rs. 1,83,80,138.41/- and trade payable amounts to Rs. 15,92,102.40/- as on March 31, 2024. We are unable to obtain independent balance confirmations and perform any alternate procedures. We are unable to comment if any adjustments to the carrying value of trade receivable and trade payable is required if any.
 - (vii) As per the financial statement, the total Loan given amounting to Rs 5,08,28,307.00 and loan taken amounting to Rs 24,33,609 as on March 31, 2024. We are unable to obtain independent balance confirmations and perform any alternate procedures. In the absence of the same, we are unable to comment on the carrying value of Loan given.
 - (viii) Under the Micro, Small and Medium Enterprises Development Act, 2006 certain disclosures are to be made relating to Micro, Small and Medium Enterprises. The company has sought relevant information from its suppliers / providers of services under the Act, and since the relevant information has not been shared with us, we are unable to comment on the impact if any applicable.

We were unable to obtain sufficient appropriate audit evidence or adequate documentation to verify the basis of the disclaimer of opinion issued by the previous auditor, as referenced in points (i) to (iv) above.

- We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the

Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on financial statement.

Emphasis of Matters

The company's ability to continue as a going concern is under severe threat. Since October 2023, the company has been operating without any employees and has liquidated its entire inventory at a loss. While steps have been initiated to lift the trading suspension imposed by the Bombay Stock Exchange (BSE), the matter remains unresolved as of the date of this report. These adverse conditions cast significant doubt on the company's ability to continue as a going concern. However, management has represented that certain mitigating factors exist, including the receipt of a comfort letter from the promoter of the company. Based on this, management believes that the use of the going concern assumption in the preparation of these financial statements remains appropriate.

Our opinion is not modified in respect of these matters.

Other Matter

- We draw attention to the fact that audit of standalone financial statement for the year ended 31st March 2024, included in the annual return was carried out and reported by Gupta Ravi & Associates who has expressed disclaimer of opinion vide their report dated 7th December 2024 and basis of opinion are as follow:

(xiii) The company has written off Creditor amounting to Rs 15,74,393.30, advance payment amounting to Rs 11,56,300 & other balance written off amounting to Rs 9,75,000.00, Due to lack of proper documentation for the creditor written-off, advances written off & other balance written off raises concerns about the completeness and accuracy of the accounts payable balance / advances balances and the adequacy of the company's internal controls over financial reporting. Without sufficient evidence, we cannot determine whether the write-off is appropriate and whether the financial statements fairly present the company's financial position and results of operations.

(xiv) As per the financial statement, all the interest income was not recognized during the period under audit, we requested an explanation from the management regarding the omission of interest income. However, we did not receive any satisfactory explanation as to why interest income was not recognized for the entire period. In the absence of any information regarding the interest receivable to be booked, we are unable to comment on the impact of this on company's financial position and results of operations.

(xv) We noted a significant deficiency in the documentation of sales transactions that occurred in the fourth quarter with no invoice, awaybill and GST return on record for verification. The lack of proper documentation for these sales transactions limited our ability to obtain sufficient appropriate audit evidence to support the accuracy and completeness of sales revenue recorded in the fourth quarter. This significantly impacts our assessment of the risk of material misstatement in the financial statements. Due to this we are unable to comment on whether the financial statements fairly present the company's financial position and results of operations.

(xvi) The Company failed to provide us with the GST reconciliation statement / GST return for the period under review. These reconciliation / return statement are crucial for verifying the accuracy and completeness of GST-related entries in the financial statements. In the absence of the same, we are unable to comment on the financial position and result of operations.

(xvii) Lack of Supporting Documentation for Professional Fees & Employee Benefit Details. This limitation restricted our ability to verify the accuracy and completeness of expenses related to professional fees & Employee Benefit Exp. In the absence of the same, we are unable to comment on the financial position and result of operations.

(xviii) The company has not recorded expenses for electricity, warehouse rent, and employee provident fund contributions. The omission of expenses will result in an understatement of expenses and an overstatement of net income for the period. In the absence of the same, we are unable to comment on the financial position and result of operations.

(xix) As per the financial statement, the total trade receivable outstanding amounts to Rs. 1,83,80,138,41/- and trade payable amounts to Rs. 15,92,102.40/- as on March 31, 2024. We are unable to obtain independent balance confirmations and perform any alternate procedures. We are unable to comment if any adjustments to the carrying value of trade receivable and trade payable is required if any.

(xx) As per the financial statement, the total Loan given amounting to Rs 5,08,28,307.00 and loan taken amounting to Rs 24,33,609 as on March 31, 2024. We are unable to obtain independent balance confirmations and perform any alternate procedures. In the absence of the same, we are unable to comment on the carrying value of Loan given.

(xxi) Under the Micro, Small and Medium Enterprises Development Act, 2006 certain disclosures are to be made relating to Micro, Small and Medium Enterprises. The company has sought relevant information from its suppliers / providers of services under the Act, and since the relevant information has not been shared with us, we are unable to comment on the impact if any applicable.

(xxii) The amount represented under the head (Cash in hand), we have not been provided by the management with any appropriate information, explanation and justification for such a cash balance as well as transactions carried out by the company in cash. On account of this and in the absence of documentation we are unable to verify and form an opinion on such cash and cash transactions carried out by the company.

(xxiii) Secretarial Compliances have not been done by the company since last two financial year. Also presently there is no compliance officer in the company who can be held responsible for this. Due to this we are unable to comment on the penal / legal consequences on the financial position and result on operations.

(xxiv) The company's continued existence is severely threatened. Since October 2023, it has operated without any employees, has liquidated its entire inventory at a loss, No steps have been taken by the company to lift the trading suspension imposed by the Bombay Stock Exchange (BSE) and has completely neglected its secretarial obligations. These critical factors cast serious doubt on the company's ability to remain in business. These conditions indicate uncertainty that may cast significant doubt on the company's ability to continue as going concern.

We have been relied upon above points for the purpose of our review of the Audited result. Our opinion is also modified to the extent reflected in above points.

- Attention is hereby drawn to Company had purchased 80% stake in Jalan & Jalan Collection Inc during FY 2020-21. During FY 2022-23, dispute arose between Company & minority shareholder & company filed a case against the minority shareholder alleging misfeasance, misrepresentation & misappropriation at District Mediation Center, Nagpur on 19-05-2022.

Company has been trying relentlessly to obtain sufficient data from Subsidiary in order to facilitate Consolidation of financials for reporting purposes. However, due to unavailability of subsidiary financial data, the company has not been able to present consolidated financial statements since June' 21 quarter. It is also be noted company has no active operation since October 2022.

Company has during current year again made an assessment of its Control and power over subsidiary as per Ind AS 110 & management has determined that the company does not possess significant control and power over its subsidiary, Jalan Jalan Collection Inc., despite holding an 80% shareholding. Hence, Jalan & Jalan Collection Inc., does not qualify as a subsidiary.

Next step on evaluation done by Management was whether the investment qualifies as an Investment in Associate as per Ind AS 28. As per Ind AS 28, If an entity holds, directly or indirectly (eg through subsidiaries), 20 per cent or more of the voting power of the investee, it is presumed that the entity has significant influence, unless it can be clearly demonstrated that this is not the case. An entity loses significant influence over an investee when it loses the power to participate in the financial and operating policy decisions of that investee. The loss of significant influence can occur with or without a change in absolute or relative ownership levels. Management is of the view that the Company has no role to play in any financial or operating decisions of Jalan & Jalan Collection Inc. as the same is under control of Minority shareholder & hence Company is unable to exercise significant influence by virtue of its shareholding.

On review, management also concluded that previous classification of Jalan & Jalan Collection Inc., as a subsidiary in previous financials was erroneous & it was never a subsidiary. As per Ind AS 8, retrospective effect needs to be given for Prior period error. However, since Company has not presented consolidated financial statements since June' 21, management concludes that restated results would be similar to standalone financials with the only exception being that Investments in Jalan & Jalan Collection Inc. would not be classified as Investment in Subsidiary under Schedule for Investments.

Consequently, the company has not prepared consolidated financial statements in accordance with Ind AS 110 & will account for investment in Jalan & Jalan Collection Inc. as per Ind AS 109 - Financial Instrument.

As per Ind AS 109, Company records Investments in equity instruments at Fair value through Profit and Loss account. Company has obtained a fair valuation report on 27th April, 2024 for it's investment in Jalan & Jalan Collection Inc. Based on valuation report, fair value of the company is Rs. -76,736.87/- based on whatever past data was available with the company. Hence, management has recorded the Investment in Jalan & Jalan Collection Inc. at zero rupees in its books.

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 Annual report but does not include the financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is no material misstatement of this other information, we are required to report that fact.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

These financial statements are the responsibility of the Company's management. 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 the financial statements that give a true and fair view of the financial position & financial performance of the Company in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

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

The board of directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the audit of the Financial Statements.

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

Responsibilities for Audit of Financial Statements

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in the aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work in evaluating the results of our work, and (ii) evaluating the effect of any identified misstatements in the 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 financial controls that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2) Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

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

b) In our opinion, proper books of account, as required by law, have been kept by the Company so far as it appears from our examination of those books. Except for the matters stated in the paragraph 2(i)(v) below, on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014;

c) The Balance Sheet, the Statement of Profit and Loss including the statement of other comprehensive income, the Statement of changes in equity, and the statement of cash flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

e) On the basis of written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 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 the financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements

g) With respect to the matter to be included in the Auditor's Report under section 197(16) as the company has not paid any remuneration to its Director during the current year, the said clause is not applicable.

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 does not have any pending litigations except disclosed in note 21 to the financial statement which would impact its financial position.
- ii. as required under the applicable law or accounting standard, for material for foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. The company has transferred to the Investor Education and Protection Fund which were required to be transferred as per the Act.
- iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary

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

(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to the notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

(d) The company has not declared and paid any dividends during the year which are in contravention of the provisions of section 123 of the Companies Act, 2013.

v. As per the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, the requirement for maintaining books of account using accounting software that has an audit trail (edit log) feature became applicable to the Company with effect from April 1, 2023.

During the course of our audit, we noted that the audit trail feature was enabled to the extent applicable. We did not observe any instance of the audit trail being tampered with. Furthermore, the Company has preserved the audit trail in accordance with the statutory requirements for record retention

For Bilimoria Mehta & Co.
Chartered Accountants
Firm Reg. No. 101490W

Aakash Mehta
Partner
Membership no. 165824
UDIN: 25165824BMIIHU5672
Place: Mumbai
Date: 30th May, 2025

Annexure - A to the Auditors' Report referred to in Paragraph 16 of the Independent Auditor's Report of even date to the members of Muzali Arts Limited on the financial statements for the year ended 31 March 2025

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of an audit, and to the best of our knowledge and belief, we report that:

(i) (a) The Company does not hold any property, plant and equipment, intangible assets, immovable property during the year. Thus paragraph 3 (i) (a) to (d) of the order is not applicable.

(e) There are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(ii) (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.

(b) The Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) The Company has not made investments in Companies but the company has granted unsecured loans to other parties, during the year, in respect of which:

(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 granted unsecured loans to firms and other parties, the aggregate amount during the year and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates amounts to Rs 2,36,49,810.80 and Rs 6,55,20,161 respectively.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the unsecured loans granted by the company are not prejudicial to the interest of the company

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the repayment schedule of principal and interest are not stipulated for the loans given by the company and hence the repayments or receipts if any are regular in nature cannot be determined.

(d) Since the terms of repayment are not stipulated, total amount overdue/recoverable for more than 90 days cannot be determined.

(e) The Company has not provided any loans or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties hence reporting under clause 3(iii)(e) of the Order is not applicable.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made. The Company has not provided any guarantees and security to the parties covered under Sections 185 and 186 of the Companies Act, 2013.

(v) According to the information and explanations given to us, the Company has not accepted deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.

(vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order does not apply to the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of

customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes.

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

(ix) (a) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(ix)(a) of the Order is not applicable

(b) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(ix)(b) of the Order is not applicable

(c) In our opinion and according to the information explanation provided to us, no money was raised by way of term loans. Accordingly, the provision stated in paragraph 3(ix)(c) of the Order is not applicable to the Company.

(d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the year

(xii) The Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

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

(b) We have considered internal audit reports of the Company issued till date, for the period under audit.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding company, or subsidiary companies or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company.

Accordingly, the reporting under Clause 3(xv) of the Order does not apply to the Company.

(xvi) (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934, and accordingly, the provisions stated in paragraph 3 (xvi)(a) of the Order are not applicable to the Company.

(b) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(b) of the Order are not applicable to the Company

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as specified in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order does not apply to the Company.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable

(xvii) The Company has incurred any cash losses in the financial year and in the immediately preceding financial year.

(xviii) There was a resignation of the statutory auditors during the year. Accordingly, the reporting requirement under Clause 3(xviii) of the Order is applicable to the Company.

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

(xx) According to the information and explanations given to us, in respect of other than ongoing projects, the Company has no unspent amount that needs to be transferred to a fund specified in the Schedule VII to the Act in compliance with second proviso to subsection (5) to Section 135 of the Act.

For Bilimoria Mehta & Co.
Chartered Accountants
Firm Reg. No. 101490W

Aakash Mehta
Partner
Membership no. 165824
UDIN: 25165824BMIIHU5672
Place: Mumbai
Date: 30th May, 2025

Annexure - B to the Auditors' Report**Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

In conjunction with our audit of the financial statements of **Muzali Arts Limited** ('the Company') as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to the financial statements of the Company as at that date.

Management's Responsibility for Internal Financial Controls

The respective Boards of Directors of the Company, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (the "ICAI").

These responsibilities include the design, implementation, and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to the financial statements of the Company, 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") issued by the Institute of Chartered Accountants of India ("ICAI") and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 internal financial controls with reference to the financial statements of the Company.

Meaning of Internal Financial Controls With Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 and to the best of our information and according to the explanations given to us, the Company is in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Bilimoria Mehta & Co.
Chartered Accountants
Firm Reg. No. 101490W

Aakash Mehta
Partner
Membership no. 165824
UDIN: 25165824BMIIHU5672
Place: Mumbai
Date: 30th May, 2025

Muzali Arts Limited Balance Sheet as at March 31, 2025 (All amounts in Indian Rupees Lakhs, except as otherwise stated)			
Particulars	Notes	As at 31st March 2025	As at 31st March 2024
I. ASSETS			
1. Non-Current Assets			
(a) Property, Plant and Equipment	3	-	1.89
(b) Capital Work In progress		-	7.53
(c) Financial Assets			
(i) Investments	4	-	250.61
(d) Deferred Tax Asset	5	3.97	3.97
2. Current Assets			
(a) Inventories		-	-
(b) Financial Assets			
(i) Trade receivables	6	-	183.80
(ii) Cash and Cash equivalents	7	23.47	40.63
(iii) Loans	8	655.20	483.95
(c) Other Current Assets	9	259.69	250.90
Total		942.33	1,223.28
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	SOCE I	591.65	591.65
(b) Other Equity	SOCE II	314.36	608.05
LIABILITIES			
1. Non - Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	10	1.00	1.00
2. Current Liabilities			
(a) Financial Liabilities			
(i) Trade Payables			
- Total outstanding dues of micro enterprises and small enterprises	11	2.36	1.92
- Total outstanding dues of creditors other than micro enterprises and small enterprises		10.90	11.57
(ii) Other Financial Liabilities	12	3.05	4.05
(b) Other Current Liabilities	13	6.98	5.06
(c) Provision	14	12.04	(0.01)
Total		942.33	1,223.28
This is the Balance Sheet referred to in our report of even date.			
For Bilimoria Mehta & Co. Chartered Accountant FRN - 101490W		For and on behalf of the Board Muzali Arts Limited	
Aakash Mehta Partner M. No. 165824 Place: Mumbai Date: 30-05-2025 UDIN: 25165824BMIIHU5672		Murtuza Mansoorbhai Director & CFO DIN : 08965751	Sohan Chaturvedi Director DIN : 09629728

Muzali Arts Limited Standalone Statement of Profit and Loss for quarter and year ended March 31, 2025 (All amounts in Indian Rupees Lakhs, except as otherwise stated)			
Particulars	Notes	Year Ended 31st March 2025	Year Ended 31st March 2024
I. Revenue from operations	15	-	30.48
II. Other Income	16	46.32	31.20
III. Total Income (I + II)		46.32	61.68
IV. Expenses:			
(a) Cost of materials consumed		-	-
(b) Purchase of Stock-in-Trade		-	-
(c) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	17	-	102.62
(d) Employee benefit expense	18	1.49	21.44
(e) Financial costs		-	-
(f) Depreciation Expense	3	-	0.58
(g) Other expenses	19	326.50	43.99
V. Total Expenses		327.99	168.63
VI. Profit before tax (III - V)		(281.67)	(106.95)
Tax expense :			
(a) Current tax		12.04	-
(b) Tax of earlier years		-	-
(c) Deferred Tax Liabilities		-	-
VII. Total Tax Expense		12.04	-
VIII. Profit for the period (VI-VII)		(293.72)	(106.95)
Other Comprehensive Income			
(i) Items that will not be reclassified to Profit and Loss		-	-
(a) Re-measurement gains on defined benefit plans		-	-
(b) Income tax effect on above		-	-
(c) Equity instrument through other comprehensive income		-	-
(ii) Items that will be reclassified to Profit and Loss		-	-
IX. Total Other Comprehensive Income		-	-
X. Total Comprehensive Income for the year (VIII + IX) (Comprising profit and other comprehensive income for the year)		(293.72)	(106.95)
XI. Earning per equity share Equity shares of par value Rs 5/- each			
(a) Basic		(0.50)	(0.18)
(b) Diluted		(0.50)	(0.18)
This is the Statement of Profit and Loss referred to in our report of even date.			
For Bilimoria Mehta & Co. Chartered Accountant FRN - 101490W		For and on behalf of the Board Muzali Arts Limited	
Aakash Mehta Partner M. No. 165824 Place: Mumbai Date: 30-05-2025 UDIN: 25165824BMMIHU5672		Murtuza Mansoorbhai Director & CFO DIN : 08965751	Sohan Chaturvedi Director DIN : 09629728

Muzali Arts Limited Cash flow statement for the period ended 31st March 2025 (All amounts in Indian Rupees Lakhs, except as otherwise stated)		
Particulars	Year ended 31st March 2025	Year ended 31st March 2024
(A) Cash Flow from Operating Activities		
Net Profit Before Tax	(281.67)	(106.94)
Add: Adjustment for		
Depreciation	-	0.58
Interest Income	(46.32)	(17.04)
Dividend Received	-	(0.77)
Foreign Currency Exchnage Loss on investment	-	(2.39)
Written off	290.34	(13.93)
Operating Profit before Working Capital Changes	(37.65)	(140.49)
Add: Adjustment for		
Other Current Assets	(9.55)	78.14
Trade Receivables	169.30	(14.51)
Trade payables	(0.21)	(11.05)
Other Current Liabilities	1.92	(85.06)
Other Financial Liabilities	(1.00)	-
Inventories	-	102.62
Net Changes in Working Capital	160.47	70.14
Cash Generated from Operations	122.83	(70.35)
Less: Direct Taxes Paid (Net of Refund)	-	-
Net Cash Generated/(used) from Operating Activities	122.83	(70.35)
(B) Cash Flow from Investing Activities		
Sale of Fixed Assets		36.49
Sale of Investment	(0.00)	-
Loan Given	(182.76)	-
Loan Repayment	42.78	-
Dividend Received	-	0.77
Net Cash provided/(used) by Investment Activities	(139.98)	37.26
(C) Cash Flow from Financing Activities		
Proceeds From borrowings	-	-
Repayment Borrowings	-	-
Changes in OCI		7.47
Net Cash generated/(used) in Financing Activities	-	7.47
Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	(17.16)	(25.63)
Add : Balance at the beginning of the year	40.63	66.26
Cash and Cash Equivalents at the close of the year	23.47	40.63
Note: The cash flow statement is prepared using the indirect method set out in IND AS 7 - Statement of cash flow.		
For Bilimoria Mehta & Co. Chartered Accountant FRN - 101490W		
For and on behalf of the Board Muzali Arts Limited		
Aakash Mehta Partner M. No. 165824 Place: Mumbai Date: 30-05-2025 UDIN: 25165824BMIIHU5672		
Murtuza Mansoorbhai Director & CFO DIN : 08965751		
Sohan Chaturvedi Director DIN : 09629728		

Muzali Arts Limited

Statement Of Changes In Equity For The Year Ended 31st March 2025

SOCE I Equity Share Capital

Particulars	As at March 31, 2025		As at March 31, 2024	
	No of shares (in Lakhs)	Amount	No of shares (in Lakhs)	Amount
Issued, subscribed and fully paid up equity shares				
As at the beginning of the year	591.65	591.65	591.65	591.65
Add: Equity shares issued during the year	-	-	-	-
As at the end of the year	591.65	591.65	591.65	591.65

SOCE II Other Equity

Particulars	Reserves and Surplus					Other Comprehensive income	Total
	Securities Premium	General Reserve	Retained Earnings	Fair value through other comprehensive income	Equity Warrant	Fair value changes of debt instruments measured at fair value through other comprehensive income/ Other comprehensive income	
Balance as at March 31, 2023	795.74	101.36	(234.51)	-	16.13	24.85	703.55
Profit for the year	-	-	(106.94)	-	-	-	(106.94)
Other Appropriations	-	-	-	-	-	7.47	7.47
Items of OCI, net of Tax							
Remeasurement of Defined Benefit	-	-	-	-	-	-	-
Prior Period error	-	-	3.97	-	-	-	3.97
Balance as at March 31, 2024	795.74	101.36	(337.49)		16.13	32.31	608.05
Profit for the year	-	-	(293.72)	-	-	-	(293.72)
Other Appropriations	-	-	-	-	-	-	-
Items of OCI, net of Tax	-	-	-	-	-	-	-
Warrants issued	-	-	-	-	0.03	-	0.03
DTA	-	-	-	-	-	-	-
Balance as at 31.03.2025	795.74	101.36	(631.21)		16.16	32.31	314.36

Muzali Arts Limited

Notes to Standalone Ind AS Financial Statements for the Year ended 31 March 2025

Overview and Notes to Financial Statements

1. Company overview

Muzali Arts Limited ("the Company") is a Public Listed Limited Company incorporated in India having its registered office at Nagpur Maharashtra, India. The company is currently engaged in processing food industry. The financial statements for the year ended 31st March 2025 are approved for issue in accordance with resolution of the directors on 30th May, 2025.

2 Basis of preparation of Financial Statements

(i) Compliance with Indian Accounting Standards (Ind AS)

The financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on accrual basis, except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ("the Act") and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

(ii) Consistency of accounting policy

Accounting policies have been consistently applied, except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The material accounting policy information used in preparation of the audited financial statements have been discussed in the respective notes.

(iii) Functional currency and rounding of amounts

The financial statements are presented in Indian Rupees (INR), which is also the Company's functional and presentation currency. All values are rounded to nearest rupees in Lakhs except when otherwise stated and the currency of the primary economic environment in which the company operates.

(iv) Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates, which involve complex and subjective judgments and the use of assumptions in these financial statements. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates and judgments are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements. During the year Expected Credit loss, Inventory valuation, Gruavity provision areas were estimates and judgments have been made.

(v) Current vs. Non-Current classification

"The Company has ascertained its operating cycle* as twelve months for the purpose of Current/ Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

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

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

- expected to be settled in the Company's normal operating cycle
- the liability is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period;
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting date.

All other liabilities are classified as non-current.

*The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle."

Material accounting policies

2.1 Property, plant and equipment

(i) Recognition and measurement Accounting policy

"Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. The cost of an item of property, plant and equipment comprises:

- (a) Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- (b) Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipments. Property, plant and equipment which are not ready to intended use as on the date of Balance sheet are disclosed as Capital work-in-progress (if any). The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Any gain or loss on disposal of an item of PPE is recognized in statement of Profit and Loss. The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method."

The estimated useful lives of assets are as follows:

Office equipment 5 years

Computer 3 years

Depreciation

"(A)

- a. Depreciation is systematic allocation of the depreciable amount of PPE over its useful life and is provided in a straight-line-basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment.
- b. Depreciable amount for PPE is the cost of PPE less its estimates residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the company.
- c. Where a significant component (in terms of cost) of an asset has an estimated economic useful life shorter than that of its corresponding assets, the component s depreciated over its shorter life.
- d. The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

(B) Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production.

(c) Depreciation on assets sold, discarded or demolished during the year is being provided upto the month in which such assets are sold, discarded or demolished. "

Impairment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

2.2 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.

(i) Initial Recognition

Financial assets (except Trade receivables) and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in Statement of Profit and Loss.

Trade receivables not containing any significant financing component are measured at transaction price.

(ii) Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortized cost.

Amortized Cost:

A financial asset shall be classified and measured at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding
- In case of financial assets at amortized costs, interest income, foreign exchange gain or loss and impairment are recognized in Statement of Profit and Loss.

(iii) Impairment of financial assets:

Financial assets, are assessed for indicators of impairment at the end of each reporting period. The Company recognized a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk.

(iv) Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as measured at amortized cost. A financial liability is classified as at FVTPL if it is classified as held for trading or it is a derivative or it is designated as such on initial recognition. Financial Liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gain and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

(v) Derecognition of financial assets and financial liabilities financial assets.

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial assets.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized

The Company de-recognizes financial liabilities when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognized and the consideration paid and payable is recognized in the statement of profit and loss.

2.3 Revenue recognition

i. Revenue from operation

In accordance with IND AS 115 (Revenue from Contracts with Customers), the company recognizes revenue when it transfers control of goods or services to customers in an amount that reflects the consideration to which it expects to be entitled in exchange for those goods or services.

ii. Commission income

Commission income is derived from acting as an agent in transactions where the company facilitates sales of products or services on behalf of another party.

ii. Interest income

Revenue is recognized on a time proportion basis taking into account the amount outstanding on effective interest rate.

iii. Other Income

Other items of income are accounted as and when the right to receive such income arises and it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

2.4 Income Tax

(i) Current tax

"Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income."

"Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity)

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

(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 amounts used for taxation purposes.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets and deferred tax liabilities are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax relating to items recognized outside profit or losses are recognized as a part of these items (either in other comprehensive income or in equity).

"Deferred tax assets and liabilities are offset only if:

- a) The entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity. "

2.5 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

2.6 Provisions and Contingencies

General

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any.

Contingencies :

Contingent liabilities exist 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 Group, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

2.7 Cash flow statement

Cash flows are reported using the indirect method, whereby profit or loss before tax is adjusted for the effects of transaction of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.8 Earning per share**a) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to equity shareholders of the Company
- by the weighted average number of equity shares outstanding during the financial year

b) Diluted earnings per share

- Diluted earnings per share computed using the weighted average number of equity and dilutive equity equivalent share outstanding during the period.

2.9 Recent Pronouncement

The Ministry of Corporate Affairs ("MCA") notifies new standards / amendments under Companies (Indian Accounting Standards) Rules as issued from time to time. As of 31st March 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company that has not been applied.

Muzali Arts Limited

Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2025

3) Property, Plant & Equipment

(Amount In Lacs)

S.N.	Particulars	Useful Life of Asset	GROSS BLOCK			
			As of April 01, 2024	Addition during the year	Sale/Disposal during the year	Total as of March 31, 2025
1	Building Shed	30	161.21	-	102.96	58.25
2	CCTV Cameras	5	20.76	-	-	20.76
3	Mobile Handsets	5	285.10	-	86.03	199.07
	TOTAL		467.07	-	188.99	278.08

DEPRECIATION BLOCK				NET BLOCK	
As of April 01, 2024	Depreciation during the year	Adjustments during the year	Total as of March 31, 2025	Net carrying amount as of March 31, 2025	Net carrying amount as of March 31, 2024
58.25	-	-	58.25	(0.00)	1.03
20.76	-	-	20.76	0.00	-
199.07	-	-	199.07	(0.00)	0.86
278.08	-	-	278.08	(0.00)	1.89

Muzali Arts Limited

Notes to Standalone Ind AS Financial Statements for the Year ended 31 March 2025

4) Non Current Investment

S.N.	Particulars	As at 31st March 2025	As at 31st March 2024
1	Jalan Jalan Collection Inc.	-	250.61
	Total	-	250.61

5) Deferred Tax Liabilities/(Assets)

S.N.	Particulars	As at 31st March 2025	As at 31st March 2024
1	Deferred Tax Liability/(Asset)	3.97	3.97
	Total	3.97	3.97

6) Trade Recievables

S.N.	Particulars	As at 31st March 2025	As at 31st March 2024
1	<u>Undisputed, Unsecured & Considered Good :</u>		
	Outstanding for more than six months	-	-
	Others Receivables	-	183.80
Less:	Expected Credit Loss	-	-
	Total	-	183.80

Note : The Company uses a provision matrix to determine impairment loss allowance on the portfolio trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At period end, the historical observed default rates are updated and changes in the forward looking estimates are analyzed.

6.2 Trade Receivable ageing schedule
As at 31st March 2024

	Particulars	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 years	1 - 2 years	2 - 3 years	More than 3 years	
	Undisputed							
	(i) Trade receivables – considered good		16.72	-	-	-	167.08	183.80
	(ii) Trade Receivables – considered doubtful		-	-	-	-	-	-
	Disputed							
	(iii) Trade Receivables considered good		-	-	-	-	-	-
	(iv) Trade Receivables considered doubtful		-	-	-	-	-	-

7) Cash & Cash Equivalent

S.N.	Particulars	As at 31st March 2025	As at 31st March 2024
1	Cash on Hand	13.69	11.00
2	<u>Balances with Banks</u>		
	Allahbad Bank	9.38	0.58
	Kotak Mahindra Bank	0.15	28.80
	Allahbad Bank Pref Account	0.24	0.24
	Total	23.47	40.63

8) Loans

S.N.	Particulars	As at 31st March 2025	As at 31st March 2024
	(Unsecured, considered good)		
	Demand loan : Others		
1	Other Loans and Advances	650.20	475.81
2	Intercompany Loans	5.00	8.14
	Total	655.20	483.95

9) Other Current Asset

S.N.	Particulars	As at 31st March 2025	As at 31st March 2024
1	Security Deposits	-	0.25
2	Duties and Taxes(Net)	0.23	18.86
3	Advance to Supplier	236.50	231.80
4	Balance with Revenue Authorities :		
	(a) ITC Credit Ledger	10.21	-
	(b) GST Refundable	12.74	-
	Total	259.69	250.90

Muzali Arts Limited

Notes to Standalone Ind As Financials Statements for the Year Ended 31 March 2025

10) Non-Current Financial Liabilities - Borrowings

S.N.	Particulars	Year ended 31st March 2025	Year ended 31st March 2024
1	<u>Borrowings</u> From related parties	1.00	1.00
	Total	1.00	1.00

11) Current Financial Liabilities - Trade Payable

S.N.	Particulars	Year ended 31st March 2025	Year ended 31st March 2024
1	Total outstanding dues of micro enterprises and small enterprises	2.36	1.92
2	Total outstanding dues of creditors other than micro enterprises and small enterprises	10.90	11.57
	Total	13.26	13.49

**11.1 Trade Payables ageing schedule
As at 31st March 2025**

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	2.06	-	-	0.31	2.36
(ii) Others	-	0.46	-	-	10.44	10.90
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-	-

11.2 As at 31st March 2024

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME		1.61	-	-	0.31	1.92
(ii) Others		-	-	-	11.57	11.57
(iii) Disputed dues - MSME		-	-	-	-	-
(iv) Disputed dues - others		-	-	-	-	-

12) Other Financial Liabilities

S.N.	Particulars	Year ended 31st March 2025	Year ended 31st March 2024
1	Farheen Murtuza Rent	1.31	2.31
2	Mansoorbhai Murtuza Rent	1.74	1.74
	Total	3.05	4.05

13) Other Current Liabilities

S.N.	Particulars	Year ended 31st March 2025	Year ended 31st March 2024
1	Statutory Dues and other Liabilities	0.30	1.03
2	Director sitting fees payable	0.54	-
3	TDS Payable	6.14	4.02
	Total	6.98	5.06

14) Provisions

S.N.	Particulars	Year ended 31st March 2025	Year ended 31st March 2024
1	Provision for Tax (Net)	12.04	(0.01)
	Total	12.04	(0.01)

15) Revenue from operation

S.N.	Particulars	Year ended 31st March 2025	Year ended 31st March 2024
1	Sale of Finished goods	-	30.48
	Total	-	30.48

16) Other Income

S.N.	Particulars	Year ended 31st March 2025	Year ended 31st March 2024
1	Interest Income	46.32	17.04
2	Dividend Received	-	0.77
3	Balances Written off	-	9.75
4	Net Long/Short Term Capital Gain Tax	-	2.39
5	Other	-	(2.92)
6	Creditor Written off	-	4.18
	Total	46.32	31.20

17) Change in Inventory

S.N.	Particulars	Year ended 31st March 2025	Year ended 31st March 2024
1	Opening Stock	-	102.62
2	Closing Stock	-	-
	Total	-	102.62

18) Employment Benefit Expenses

S.N.	Particulars	Year ended 31st March 2025	Year ended 31st March 2024
1	Salary Expenses	1.49	20.92
2	Contribution to provident Fund	-	0.52
	Total	1.49	21.44

19) Other Expenses

S.N.	Particulars	Year ended 31st March 2025	Year ended 31st March 2024
1	Audit Fees	1.63	1.13
2	Accounting Charges	-	0.48
3	Advertisement Expenses	0.20	0.54
4	Bse Fee	21.80	3.45
5	Bank Charges	0.03	0.36
6	Canning Job work	-	0.04
7	Courier Expenses	-	0.01
8	CDSL FEES	0.48	0.44
9	Demat Charges	-	0.13
10	Director Sitting Fees	1.75	1.01
11	Digital Certificate	0.01	-
12	Electricity Expense	-	0.70
13	Gst Late Fee	0.26	-
14	Gram Panchayat Tax	-	0.50
15	Hardware Material(Refinishing)	-	0.97
16	Interest On GST Refund	-	2.84
17	Interest on Tds Paid	0.05	-
18	Internet Expense	-	0.99
19	Labour Expense	-	3.94
20	Late Payment Charges	-	0.04
21	MCA Fees	0.97	0.38
22	NSDL FEES	0.43	0.38
23	Office Expenses	0.66	0.76
24	Petrol Charges	-	0.12
25	PF Administration Charges	-	0.03
26	PF EDLIS Account	-	0.03
27	Photography Expenses	-	0.35

28	Printing And Stationery	-	0.10
29	Professional Fee	3.01	10.84
30	Property Tax - Godown	1.74	-
31	Repairs & Maintenance	-	0.25
32	R T A Fees	0.96	1.03
33	Round Off	0.00	(0.00)
34	Sebi Fees	2.00	-
35	Software Exp	0.03	0.15
36	Sundry Expenses	-	0.34
37	Travelling Conveyance	-	5.25
38	Transportation Charges	-	0.26
39	Telephone Expenses	0.02	0.12
40	Warehouse Rent	-	6.00
41	Website Exp	0.14	0.05
42	Written Off	290.34	-
	Total	326.50	43.99

20) Earnings Per Share

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Profit after tax attributable to equity shareholders	(293.72)	(106.95)
Weighted average number of equity shares for basic EPS	591.65	591.65
Earnings per Share (Basic/Diluted)	(0.50)	(0.18)

21) Commitment and contingencies

There are no contingent liabilities and commitment as on 31st March 2025.

22) Financial Instruments- Fair Values And Risk Management

The significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial assets, financial liabilities and equity instrument are disclosed in note 2.2 to the financial statements.

A. Financial Assets And Liabilities

The carrying value of financial instruments by categories as of March 31, 2025 is as follows:

Financial Assets Measured at Amortized Cost

Particulars	Non- Current		Current	
	Year ended 31st March 2025	Year ended 31st March 2024	Year ended 31st March 2025	Year ended 31st March 2024
Trade Receivables	-	-	-	183.80
Other Financial Assets	-	-	655.20	483.95
Cash and Cash Equivalents	-	-	23.47	40.63
TOTAL	-	-	678.67	708.38

Financial Liabilities Measured At Amortized Cost

Particulars	Non- Current		Current	
	Year ended 31st March 2025	Year ended 31st March 2024	Year ended 31st March 2025	Year ended 31st March 2024
Trade Payables	-	-	13.26	13.49
Other Financial Liabilities	-	-	1.00	1.00
TOTAL	-	-	14.26	14.49

23) Financial Risk Management

The Company's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets include trade and other receivables, investments and cash and cash equivalents and bank balances other than cash & cash equivalents that are derived directly from its operations.

The Company is exposed primarily to fluctuations in credit, liquidity and market risks, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and financial liabilities. Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance of the company.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other risks, such as equity price risk and commodity price risk.

(i) Foreign Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company is not involved in foreign exchange transaction. Hence, There is no foreign currency risk involved.

(ii) Interest Rate Risk

Interest Rate risk is the risk that the fair value of future cashflows of a financial instrument will fluctuate because of changes in Market Interest Rates. The company's exposure to the risk of changes in Market Interest Rates relates primarily to the Company's short term debt obligations with floating interest rates. The Company manages its interest risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity :

Borrowing	As at 31-Mar-25	Composition	As at 31-Mar-24	Composition
Borrowing - Fixed Rate	1.00	100.00%	1.00	100.00%
	1.00		1.00	

(iii) Commodity Price Risk

The Company is affected by the price volatility of it's commodities. The company is engaging in service sector. Hence, no commodity risk exist

(iv) Credit Risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition.

Trade receivables:

Trade receivables are non-interest bearing and are generally on credit terms of 7 to 30 days. An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data of expected credit loss, actual credit loss and party-wise review of credit risk.

The ageing of Trade receivables is as follows (net of Expected Credit loss)

	As at 31st March 2025	As at 31st March 2024
Upto 6 months	-	16.72
More than 6 months	-	167.08
	-	183.80

(v) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted cash flows.

As at March 31, 2025	Less than one year	1 to 5 years	More than 5 years	Total
Borrowings	-	-	1.00	1.00
Trade payables	2.52	-	10.74	13.26
Other financial liabilities	6.98	-	-	6.98
	9.50	-	11.74	21.24

As at March 31, 2024	Less than one year	1 to 5 years	More than 5 years	Total
Borrowings	-	-	1.00	1.00
Trade payables	-	-	11.88	11.88
Other financial liabilities	5.06	-	-	5.06
	5.06	-	12.88	17.93

24) Capital Management

For the purposes of the Company's Capital Management, capital includes issued capital and all other equity reserves.

The primary objective of the Company's Capital Management is to maximise shareholder value. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The calculation of capital for the purpose of capital management is as follows:

1) Debt equity ratio - Total debt divided by Total equity

The debt-to-equity (D/E) ratio is calculated by dividing a Company's total liabilities by its shareholder equity. The ratio is used to evaluate a Company's financial leverage.

Total debt = Long term borrowings + Short term borrowings

Particulars	March 31,2025	As at March 31, 2024
Total Debt	1.00	1.00
Total Equity	906.01	1,199.69
Equity Ratio	0.11%	0.08%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2025 and 31st March 2024.

25) Related Party Disclosures

a) Related party and nature of the related party relationship with whom transactions have taken place during the year

Muzali Arts is a partnership firm in which MD Mr. Murtuza Mansoorbhai and Director Mrs. Farheen Murtuza are partners

B) Key Management Personnel

Mr. Mansoorbhai Murtuza - Director's Husband

Mr. Farheen Murtuza - Managing Director

Mr. Lalit Dave - C F O till July 2022 thereafter became director

Mr. Rohit Jadhav - Company Secretary - Compliance Officer

(b) Transactions During the Year

Nature of Transactions during the Year	2024-25	2023-24
Company Secretary - Salary	1.21	1.01
Director Siting Fees	1.75	-
Rent Paid	1.00	6.00
Intercompany Loan	5.00	-
Muzali Art - Receivable	4.70	-

Nature of Transactions Year ended 31st March, 2025	As of March 31, 2025	As of March 31, 2024
Farheen Murtuza -Rent	1.31	2.31
Mansoorbhai Murtuza Rent	1.74	1.74
Muzali Arts Gallary Pvt. Ltd.	5.00	-
Muzali Art - Receivable	236.50	231.80

Muzali Arts Limited
Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2025

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

26) Ratios

Sr No	Particulars	Numerator	Denominator	31st March 2025	31st March 2024	Change	%change	Reason for Variance
1	Current Ratio(In Times)	Current Assets	Current liabilities	26.57	42.48	(15.91)	-37.46%	Due to decrease in current assets and increase in current liabilities corresponding to previous year.
2	Debt equity ratio(In Times)	Total borrowings	Total equity	0.00	0.00	-	0.00%	N/A
3	Return on Equity Ratio(In Times)	Net profit after tax	Average Shareholder's equity.	(0.65)	(0.18)	-0.47	263.66%	Due to increased in loss corresponding to previous year.
4	Trade Receivable turnover ratio(In Times)	Net Credit Sales	Average Accounts Receivable	-	0.17	-0.17	-100.00%	No trade receivables as of March 31, 2025.
5	Net Capital turnover ratio(In Times)	Net annual sales	Working capital	-	0.02	-0.02	-100.00%	No revenue from sales for the year ending March 31, 2025.
6	Net Profit ratio (In Percentage)	Net Profit	Revenue from Operations	-	(350.87)	350.87	-100.00%	No revenue from sales for the year ending March 31, 2025.

Muzali Arts Limited
Notes to Standalone Ind AS Financial Statements for the year ended March 31, 2025

(All amounts in Indian Rupees Lakhs, except as otherwise stated)

27) Audit trail

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules, 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

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 the relevant transactions recorded in the software. Further, there are no instance of audit trail feature being tampered with.

28) Segment Reporting

The Company is engaged only in the business of producing and reselling of Coil, Transformer Lamination Sheet and related products. As such, there are no separate reportable segments, the disclosure as required as per Indian Accounting Standard on "Operating Segments" (IND AS - 108) is not given.

29) Other Statutory Information

- 1 No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- 2 The Company do not have any transactions with companies struck off.
The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 3
- 4 The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
The Company have 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 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 to or on behalf of the Ultimate Beneficiaries.
- 5
- 6 The Company have 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

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
i)

- ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- 7 The Company have no 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 assements under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 8 The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- 9 The Company has not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

29) Previous year's figures have been regrouped /rearranged wherever necessary to conform to the current year presentation.

For Bilimoria Mehta & Co.
CHARTERED ACCOUNTANTS
FRN - 101490W

For Muzali Arts Limited

Aakash Mehta
Partner
M. No. 165824
Place: Mumbai
Date: 30-05-2025
UDIN: 25165824BMIIHU5672

Murtuza Mansoorbhai
Director & CFO
DIN : 08965751

Sohan Chaturvedi
Director
DIN : 09629728