

**Admn. Office :** 8-2-334/18, 3rd Floor,  
Road No. 3, Banjara Hills,  
Hyderabad-500 034.  
Tel : 23545939, 23543580 .Fax : 23544909  
CIN No. : L25209TG1984PLC005048



Date: 03.09.2025

To,  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400 001

Dear Sir/Madam,

Sub: Submission of 40th Annual Report for the Financial Year 2024-25 under Regulation 34 of SEBI (LODR) Regulation 2015

Unit: Salguti Industries Limited (BSE Scrip Code: SALGUTI/ 526554)  
With reference to the subject cited, pursuant to Regulation 34 of SEBI (LODR) Regulations 2015, we are herewith enclosing the 40th Annual Report of the Company for the Financial Year 2024-25 scheduled to be held on Saturday, 27th day of September, 2025 at 12:30 P.M. through video conferencing/OAVM.

The cut-off date for the same is Friday, 19th September 2025.

This is for the information and records of the Exchange, please.

Thank You,

**For SALGUTI INDUSTRIES LIMITED**

**Rajitha Reddy Salguti**  
Whole-Time Director  
(DIN: 00051603)

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Regd off: 1-2-288/6/4, Domalaguda, Hyderabad, Telangana, India, 000000  
website: <https://www.salguti.com/>; Email Id: [cssalgutiindustries@gmail.com](mailto:cssalgutiindustries@gmail.com)

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**Works :** • Sy. No. 548/AA, Mudireddipally (V), Balanagar Mandal, Mahaboobnagar Dist. Tel : 08542-230050  
• Plot No. 154/A2, IDA Bollaram (Miyapur), Medak Dist.- 502 325. Tel : 08458-279250

40<sup>th</sup> Annual Report  
2024-2025

SALGUTI INDUSTRIES LIMITED

## CORPORATE INFORMATION

SALGUTI INDUSTRIES LIMITED (CIN: L25209TG1984PLC005048)

(Listed on BSE: Scrip Code: SALGUTI/ 526554, ISIN: INE159C01012)

### Board of Directors/Key Managerial Personnel:

S. No	Name of the Director, DIN	Designation
1.	Mr. Vishnu Vardhan Reddy Salguti (DIN: 00051641)	Executive Director, Chairperson, MD
2.	Mrs. Rajitha Reddy Salguti (DIN: 00051603)	Whole Time Director
3.	Mrs. Indira Reddy Kuknoor (DIN: 02435247)	Non-Executive Independent Director
4.	Mr. Nagaraj Draksharam (DIN: 02306564)	Non-Executive Independent Director
5.	Mr. Lakshmikar Reddy Mundla (DIN: 00493922)	Non-Executive Independent Director
6.	Mrs. Rashi Pathak	Company Secretary cum Compliance Officer

Registered Office: # 1-2-288/6/4, Domalguda, Hyderabad –500029

Phone:040-23545939, Fax: 040-23544909

Website: <https://www.salguti.com/>

Factory (Plastics)-Unit-I

Plot No. 154/A2,

Sri Venkateswara Indl. Estate, Bollaram,

Medak Dist.

Factory (Plastics)-Unit-II

Survey No. 548/A,

Mudireddypalli Village,

Balanagar Mandal, Mahaboobnagar (D)

Bankers

Hdfc Bank

punjab national Bank

Share Transfer Agents

M/s. Aarthi Consultants Pvt. Ltd.

1-2-285, Domalguda, Hyderabad-29.

Tel: (040) 27642217 / 27638111

Fax: (040) 27632184

Email: [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com)

Statutory Auditors

M/s. P Murali & Co.,

Chartered Accountants

# 6-3-655/2/3, Somajiguda, Hyderabad-500082

Telangana, India

040-23326666, 23312554

Email: [pmurali.co@gmail.com](mailto:pmurali.co@gmail.com), Website: [www.pmurali.com](http://www.pmurali.com)

## NOTICE

Notice is hereby given that the 40<sup>th</sup> Annual General Meeting of M/s. Salguti Industries Limited will be held on Saturday, the 27<sup>th</sup> September, 2025 at 12.30 P.M through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

### ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2025 and the reports of the Board of Directors and Auditors thereon;
2. To appoint a Director in place of VISHNUVARDHAN REDDY SALGUTI (DIN: 00051641), who retires by rotation and being, eligible offers herself for re-appointment.

### SPECIAL BUSINESS:

3. TO APPOINT M/S. SARADA PUTCHA PRACTICING COMPANY SECRETARIES AS SECRETARIAL AUDITORS FOR A TERM OF UPTO 5 (FIVE) CONSECUTIVE YEARS.

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

"RESOLVED THAT pursuant to the provisions of Regulation 24A & other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") read with Circulars issued thereunder from time to time and Section 204 and other applicable provisions of the Companies Act, 2013, if any read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("the Act"), M/s. SARADA PUTCHA, Practicing Company Secretaries be and is hereby appointed as Secretarial Auditor of the Company for a period of 5 consecutive years, from April 1, 2025 to March 31, 2030 ('the Term'), on such terms & conditions, including remuneration as may be determined by the Board of Directors."

"RESOLVED FURTHER THAT approval of the Members is hereby accorded to the Board to avail or obtain from the Secretarial Auditor, such other services or certificates or reports which the Secretarial Auditor maybe eligible to provide or issue under the applicable laws at a remuneration to be determined by the Board."

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution and for matters connected therewith or incidental thereto.”

Date: 30-05-2025  
Place: Hyderabad

By Order of the Board of Directors  
Salguti Industries Limited  
Sd/-  
S. Vishnu Vardhan Reddy  
Managing Director  
DIN: 00051641

Explanatory Statement  
[Pursuant to Section 102 of the Companies Act, 2013]

TO APPOINT M/S. SARADA PUTCHA, PRACTICING COMPANY SECRETARIES AS SECRETARIAL AUDITORS FOR A TERM OF UPTO 5 (FIVE) CONSECUTIVE YEARS.

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 Audit Committee and the Board of Directors at their respective meetings have approved and recommended the appointment of M/s. Sarada Putcha, Peer Reviewed Firm of Company Secretaries in Practice as Secretarial Auditors of the Company for a term of 5 (Five) consecutive years to hold office from Financial Year 2025-26 to Financial Year 2029-30 and issue Secretarial Audit Report for Financial Year.

- a. Term of appointment: Upto 5 (Five) consecutive years from Financial Year 2025-26 to Financial Year 2029-30.
- b. Proposed Fee: The proposed fee as mutually discussed between the company and secretarial auditor and other out-of pocket costs incurred in connection with the audit for Financial Year ending March 31, 2026 and for subsequent year(s) of their term, such fee as determined by the Board, on recommendation of Audit Committee.

The proposed fee is based on knowledge, expertise, industry experience, time and efforts required to be put in by them, which is in line with the industry benchmark. The fees for services in the nature of certifications and other professional work will be in addition to the secretarial audit fee as above and will be determined by the Board in consultation with the Secretarial Auditors and as per the recommendations of the Audit committee.

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 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. SARADA PUTCHA, is a Practicing Company Secretaries firm based at Hyderabad providing secretarial, filings and incorporations, foreign advisory services. The firm has existence of more than a decade in the above said services.

M/s. Sarada Putcha, 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.

e. Any material changes in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change: There is no material change in the fees payable to the incoming auditor from that paid to the outgoing auditor.

None of the Directors, Key Managerial Personnel (KMP), or their relatives have any financial or other interest in the proposed resolution.

The Board recommends the Ordinary Resolution as set out in Item No. 3 of this Notice for approval of the Members

#### NOTES:

1. In view of Circular No. 10/2022 dated December, 12, 2022, 02/2022 dated May, 05, 2022 read with Circular No. 02/2021 dated January 13, 2021, Circular No. 14/2021, Circular No. 14/2020 dated April, 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 issued by the Ministry of Corporate Affairs (MCA) and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January, 5, 2023, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 read with Circular No SEBI/HO/CFD/CMD1/CIR/F/2020/11 dated January 15, 2021 and Circular No. SEBI/HO/CFD/CMD1/CIR/F/2020/79 dated May 12, 2020 issued by Securities & Exchange Board of India (SEBI), members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the Scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 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.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://www.salguti.com/>. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited ([www.bseindia.com](http://www.bseindia.com)). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com). In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 13, 2022, Notice of the AGM along with the Annual Report 2024-2025 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories.
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 10/2022 dated December, 12, 2022, 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection to the Members electronically without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. 18-09-2025. Members seeking to inspect such documents can send an email to [cssalgutiindustries@gmail.com](mailto:cssalgutiindustries@gmail.com).
9. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
10. Shareholders holding shares in physical form may write to the company/company's R&T agents for any change in their address and bank mandates; Shareholders holding shares in electronic form may inform the same to their depository participants immediately, where applicable.
11. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have DEMAT accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agents (M/s. Aarthi Consultants Pvt. Ltd.).
12. In consonance with the company's sustainability initiatives and Regulation 36 of the SEBI (LODR) Regulations, 2015, the company is sharing all documents with shareholders in the electronic mode, wherever the same has been agreed to by the shareholders. Further the Ministry of Corporate Affairs vide circular nos. 10/2022 dated December, 12, 2022, has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Shareholders are requested to support this green initiative by registering/ updating their e-mail addresses for receiving electronic communications. Members holding shares in the same name under different ledger folios are requested to apply for consolidation of such folios and send the relevant share certificates to M/s. Aarthi Consultants Pvt. Ltd., Share Transfer Agents of the Company for their doing the needful.

13. As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LADNRO/GN/2018/49 dated November 30, 2018, w.e.f. April 1, 2019 the transfer of securities of listed companies shall not be processed unless the securities are held in the dematerialized form (Demat) with a depository. Hence, the members of the company are requested to dematerialize their shareholding to avail the benefits of dematerialization. Only the requests for transmission and transposition of securities in physical form, will be accepted by the RTA.
14. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
15. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transmission/transposition, Demat/Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
16. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
17. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 10/2022 dated December, 12, 2022, May 12, 2020 & Circular issued thereon, Notice of the AGM along with the Annual Report 2024-2025 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories.
18. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on 9.00 a.m. on 24 September 2025 (Wednesday) and will end at 5.00 p.m. on 26<sup>th</sup> September 2025 (Friday). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 19<sup>th</sup> September 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The results shall be declared within 48 Hours from the Conclusion of the Annual General Meeting. CS Putcha Sarada, Practising Company Secretary is appointed as Scrutinizer and the results along with the Scrutinizer's Report shall also be placed on the website of the Company.
- (iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iv) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (v) Click on "Shareholders" module.

(vi) Now enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

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

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

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

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

	For Shareholders holding shares in Demat Form and Physical Form
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"><li>• Shareholders who have not updated their PAN with the Company/Depository</li></ul>

	Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"><li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li></ul>

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

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [cssalgutiindustries@gmail.com](mailto:cssalgutiindustries@gmail.com) or [aarthiconsultants@gmail.com](mailto:aarthiconsultants@gmail.com).
2. For Demat shareholders -, please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), 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 [cssalgutiindustries@gmail.com](mailto:cssalgutiindustries@gmail.com) or [aarthiconsultants@gmail.com](mailto:aarthiconsultants@gmail.com).

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 21 09911

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE ANNUAL GENERAL MEETING (AGM) THROUGH VC/OAVM ARE AS UNDER:

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

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE ANNUAL GENERAL MEETING (AGM)  
ARE AS UNDER: -

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.

(xxi) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cssalgutiindustries@gmail.com](mailto:cssalgutiindustries@gmail.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai -400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

ADDITIONAL INFORMATION REQUIRED TO BE FURNISHED  
Brief Details of Directors seeking re-appointment at this Annual General Meeting

I	Particulars	Smt. S Rajitha Reddy (DIN: 00051603)
	Age	64 Years
	Qualification	B. Com, Chartered Accountant
	Date of Original Appointment	20-10-1984
	No of Shares held (as on 31-03-2025)	1032675
	Experience (including experience in Specific Functional Area)	40 Years in Company Matters
	Relationships with other Directors/KMP inter-se	Spouse of Sri. Vishnuvardhan Reddy Salguti (Managing Director)
	No of Board Meetings/Committee Meetings attended during 2022-2023	Detailed in Board Report
	Directorships in other Companies	1. Salguti Builders Private Limited 2. Salguti Finance and Investments Private Limited
	Memberships/Chairmanships on other Boards	Nil
	Remuneration Paid sought to be paid and the Remuneration last drawn by such person	Nil

## DIRECTOR'S REPORT

To the Members,

Your Directors have pleasure in presenting the 40<sup>th</sup> Annual Report together with the Audited Balance Sheet, Profit & Loss Account and Cash Flow Statement for the financial year ended 31<sup>st</sup> March, 2025.

### FINANCIAL RESULTS REVIEW AND PROSPECTS

Your company has recorded a Total Income of Rs. 8740.13/- Lakhs for the year ended 31<sup>st</sup> March, 2025 against total income of Rs. 8693.56/- Lakhs last year. The company has recorded a Net Profit of Rs. 16.17 Lakhs.

From the financial prospective, the highlights of the financial results for the year under review are as follows:

*In Lakhs (except EPS)		
Particulars	2024-2025	2023-2024
Revenue from operations	8,721.79	8659.79
Other Income	18.34	33.77
<b>Total Income</b>	<b>8,740.13</b>	<b>8693.56</b>
Finance costs	280.74	273.52
Depreciation / Amortization Expense	166.26	212.75
Total Expenses	8,731.40	8735.22
Profit/(loss) Before Exceptional Item and Tax	8.73	(41.66)
<b>Profit/(loss) Before Tax</b>	<b>8.73</b>	<b>(41.66)</b>
Tax Expense	2.27	19.15
Current Tax	2.27	19.15
Deferred Tax	(9.71)	(49.23)
<b>Profit for the period from Continuing operations</b>	<b>16.17</b>	<b>(11.59)</b>
<b>Profit/(loss) for the period</b>	<b>16.17</b>	<b>(11.59)</b>
Total Comprehensive Income for the period (XIII+XIV) Comprising Profit (Loss) and Other comprehensive Income for the period	<b>16.17</b>	<b>(11.59)</b>
<b>Earning per equity share for continuing operation</b>		
(1) Basic	0.21	(0.15)
(2) Diluted	0.21	(0.15)

### THE COMPANY'S PRODUCTS / SERVICES

- 🚧 Plastic Division: Our Company is Manufacturing HDPE/PP Woven sacks for packing of Fertilizers & Cement.

## DIVIDEND

The Directors regret their Inability to recommend dividend for the year under review due to insufficient profit.

## BUSINESS RISK MANAGEMENT

The Company, like any other enterprise, is exposed to business risk which can be internal risks as well as external risks. The threats to the segments in which the company operates are

- Continuous Quality Improvement is need of the hour as there are different demand patterns all over the world.
- Geographical Disadvantages.
- To balance the demand and supply.
- To make balance between price and quality.

## DEPOSITS

The Company has not accepted deposits covered under Chapter V of the Companies Act, 2013 and accordingly, the disclosure requirements stipulated under the said Chapter are not applicable.

## PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year under review, the company has not given any loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013

## CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014, except the remuneration to managerial personnel, there is no other related party transactions to be disclosed as required under the above said statutory requirement.

## EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is available on the Company website (<https://www.salguti.com/>)

## DEMAT SUSPENSE ACCOUNT UNCLAIMED SHARES

As on 31<sup>st</sup> March 2025, there were no Equity Shares of Shareholders were lying in the Escrow Account due to non-availability of the correct particulars.

## CORPORATE GOVERNANCE

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified on 2<sup>nd</sup> September, 2015, Report on Corporate Governance is Not Applicable to the Company since the Paid-up Capital of the Company is less than 10 Crores and the Net worth of the Company is less than 25 Crores as on the last day of Previous Audited Financial Year 2024-2025.

## MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

A Management Discussion and Analysis Report, has been attached and forms part of the Annual Report.

## ADDITIONAL INFORMATION AS REQUIRED U/ S 134(3)(m) OF THE COMPANIES ACT, 2013

### 1. Conservation of Energy:

The Company is monitoring the consumption of energy and is identifying measures for conservation of energy.

2. (i) The steps taken by the company for utilizing the alternate sources of energy – Nil
- (ii) The capital investment on energy conservation equipments – Nil
- (b) (i) Technology Absorption, adaptation and innovation: - Indigenous Technology is involved for the manufacturing the products of the Company.
- (ii) Research and Development (R & D): No research and Development has been carried out.
- c) Foreign exchange earnings: Rs. Nil
- (d) Foreign exchange out go: Rs. Nil

## PARTICULARS OF EMPLOYEES

The Directors are to report that none of the employee was in receipt of remuneration exceeding the limit prescribed under rule 5(2) of the Companies (Appointment and Remuneration of managerial Personnel) Rules 2014.

## STATUTORY AUDITORS

The Members of the Company at the Annual General Meeting (“AGM”) held on 30th September, 2022 had approved the appointment M/s. P. Murali & Co., Chartered Accountants, Hyderabad, (Firm Registration No. 007257S) as Statutory Auditors of the Company for a term of five consecutive years to hold office from the conclusion of this 37<sup>th</sup> Annual General Meeting of the Company till the conclusion of the 42<sup>nd</sup> Annual General Meeting to be held in the Year 2027 on such remuneration plus service tax, out of-pocket expenses, as may be mutually agreed upon by the Board of Directors and the Statutory Auditors.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualifications, reservations, adverse remarks or disclaimers given by the Auditors in their Report.

## BOARD AND COMMITTEES PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and as per the provisions of SEBI (LODR) Regulations 2015, the Board has carried out an annual performance, the directors individually as well as the evaluation of the working of its Audit and Nomination & Remuneration Committees.

## NUMBER OF BOARD MEETINGS HELD DURING THE FINANCIAL YEAR AND THE DATES OF THE BOARD MEETINGS:

The Board met 5 (Five) Times on the following dates during the financial year 2024-2025.

30-05-2024, 13-08-2024, 24-08-2024, 14-11-2024 and 14-02-2025.

## AUDIT COMMITTEE

The attendance of each member of the Audit Committee are given below:

Name of the Director	Designation	No. of Meetings held	No. meetings attended
Mrs. Indira Reddy Kuknoor	Independent Director	5	5
Mr. Vishnu Vardhan Reddy Salguti	Chairperson	5	5
Mr. Nagaraj Draksharam	Independent Director	5	5

The Board met 5 (Five) Times on the following dates during the financial year 2024-2025.

30-05-2024, 13-08-2024, 24-08-2024, 14-11-2024 and 14-02-2025

## DIRECTORS AND INDEPENDENT DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and as per the provisions of SEBI (LODR) Regulations 2015.

## DIRECTORS REMUNERATION DETAILS

Remuneration details of the Executive Director(s) are mentioned in this Annual Report at the relevant place. During the period under review. Mrs. Rajitha Reddy has not taken any remuneration even though she is eligible for the same and the resolution was passed in the previous Annual General Meetings.

## NOMINATION AND REMUNERATION COMMITTEE

The composition of the Committee is given below:

Name of the Director	Chairman/Member
Mrs. Indira Reddy Kuknoor	Independent Director
Mr. Nagaraj Draksharam	Independent Director
Mr. Lakshmikar Reddy Mundla	Independent Director

The Committee met 5(five) times during the Financial Year 2024-2025 on 30-05-2024, 13-08-2024, 24-08-2024, 14-11-2024, 14-02-2025.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors responsibilities Statement it is hereby confirmed:

- a. That in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended 31<sup>st</sup> March, 2023 and of the profit and loss of the company for that period;
- c. That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. That the directors have prepared the annual accounts on a going concern basis.
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## STAKEHOLDERS RELATIONSHIP /INVESTORS GRIEVANCE COMMITTEE:

The Committee oversees share transfers and monitors investor grievances. To look into the redressal of shareholders and investors complaints like – transfer of shares, non – receipt of balance Sheet, non-receipt of declared dividends etc.,

The Committee consists of the following Directors:

Name of the Director	Chairman/Member
Mrs. Indira Reddy Kuknoor	Independent Director
Mr. Nagaraj Draksharam	Independent Director
Mr. Lakshmikar Reddy Mundla	Independent Director

The Committee met 5(five) times during the Financial Year 2024-2025 on 30-05-2024, 13-08-2024, 24-08-2024, 14-11-2024, 14-02-2025.

## Familiarisation programme for Independent Directors

Pursuant to the provisions of SEBI (LODR) Regulations 2015, the Company has formulated a programme for familiarising the Independent Directors with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company etc through various initiatives

## POLICIES

### Material Subsidiary

During the year ended March 31, 2025, the Company does not have any material listed/unlisted subsidiary companies as defined as per the provisions of SEBI (LODR) Regulations 2015. The policy on determining material unlisted subsidiary of the Company is approved by the Board of Directors of the company.

### Vigil Mechanism

The Board of Directors of the company are committed to maintain the highest standard of honesty, openness and accountability and recognize that employees have important role to play in achieving the goal. As a public company the integrity of the financial matters of the Company and the accuracy of financial information is paramount. The stakeholders of the Company and the financial markets rely on this information to make decisions. For these reasons, the Company must maintain workplace where it can retain and treat all complaints concerning questionable accounting practices, internal accounting controls or auditing matters or concerning the reporting of fraudulent financial information to our shareholders, the Government or the financial markets. The employees should be able to raise these free of any discrimination, retaliation or harassment. Pursuant to the policy, employees are encouraged to report questionable accounting practices to Smt. Indira Reddy Kuknoor, Chairman of Audit Committee through email or by correspondence through post.

### Material changes and commitments affecting the financial position.

During the period under review, there are no major material changes to be reported, which affect the financial position

### Company's policy on director's appointment & remuneration.

The company has a policy on Directors' appointment & Remuneration and the same will be implemented whenever the appointments take place.

### Particulars of loans, Guarantees or investments.

During the period under review, the loans / Guarantees / Investments taken / provided by the Company are detailed in the Financial Statements.

### Particulars of contract or arrangement with related party

During the period under review, there were no contract or arrangement with related party except as provided in the Auditor's Report.

### Annual evaluation of its own & Board committee's performance.

The company has a policy on Board & Committees' evolution & performance and the same is being reviewed on quarterly basis.

### Implementation of risk management policy.

The company has a policy on risk management and the same is implemented by the Company to mitigate the risk in the business.

### Policy on CSR initiatives - CSR is not applicable to the Company

### Post Balance Sheet events

There are no material events after the 31<sup>st</sup> March 2025 till the signing of this Annual Report, which has significant impact on the business of the Company.

#### Disclosure about cost Audit

The requirement of maintaining the cost Audit Records are not applicable to the Company.

#### Disclosure about ESOP and Sweat Equity Share: NA

#### Key Managerial Personnel (Chief Financial Officer and Company Secretary):

Smt. S Rajitha Reddy, Chief Financial Officer act as Key Managerial Personnel in accordance with the Section 203 of the Companies Act, 2013.

Mrs. Rashi Pathak-Whole Time Company Secretary cum Compliance Officer of the Company.

#### Related Party Transaction

Policy on dealing with Related Party Transactions is approved by the Board

No related party transactions were entered into during the financial year under review, there are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. The same was discussed by the Audit Committee as also the Board. The policy on Related Party Transactions as approved by the Board. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

#### Internal Financial Controls

The Company has in place adequate internal financial controls with reference to financial statements. Periodic audits are undertaken on a continuous basis covering all the operations i.e., manufacturing, sales & distribution, marketing, finance, etc. Reports of internal audits are reviewed by management from time to time and desired actions are initiated to strengthen the control and effectiveness of the system.

#### Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report is from CS Sarada Putcha, Company Secretary in Practice obtained by the company and forms part of this Annual report.

#### Disclosures pursuant to The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The Disclosures pursuant to sub-rule (1) of Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are forms part of the Board's Report.
2. The Disclosures pursuant to sub-rule (2) of Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company forms part of the Board's Report.

## Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

## Significant and Material Orders Passed by the Regulators or Courts

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations

## Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013. An Internal committee has been set up to redress the complaints received regarding sexual harassment at workplace. All employees including trainees are covered under this policy.

## Personnel

The relationship between the management and the staff was very cordial throughout the year under review. Your Directors take this opportunity to record their appreciation for the cooperation and loyal services rendered by the employees.

Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year.

There are no applications made or any proceeding pending to report under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year.

The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.

During the year there is no one time settlements done with the Banks to report.

## Acknowledgements

Your Directors place on record their appreciation of the continuous assistance and co-operation extended to your Company by the valued customers, bankers, Reserve Bank India, SEBI, Stock Exchange(s) and all other regulatory Authorities. The Directors also sincerely acknowledge the significant contributions made by all the employees for their dedicated services to the Company.

For SALGUTI INDUSTRIES LIMITED

Sd/-

Sd/-

Place: Hyderabad  
Date: 30-05-2025

S. Vishnu Vardhan Reddy  
Managing Director  
DIN: 00051641

S. Rajitha Reddy  
Whole-Time Director  
DIN: 00051603

FORM No. MR-3 SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2025

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

To,  
The Members,  
SALGUTI INDUSTRIES LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Salguti Industries 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 my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit and as per the explanations given to me and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> 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 made available to me and maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2025 according to the applicable provisions of:

- i. The Companies Act, 2013 ('the Act') and the rules made there under, as applicable;
- ii. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; and
- vi. Other laws applicable to the Company as per the representations made by the Management.

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

- i. Secretarial Standards of The Institute of Company Secretaries of India with respect to board and general meetings are yet to be specified under the Act by the Institute.
- ii. SEBI (LODR) Regulations 2015.

During the period under review and as per the explanations and clarifications given to me and the representations made by the Management, 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all Directors at least seven days in advance to schedule the Board Meetings. Agenda and detailed notes on agenda were sent 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.

Decisions at the Board Meetings, as represented by the management, were taken unanimously. I further report that as per the explanations given to us and the representations made by the Management and relied upon by me 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.

I further report that during the audit period, there were no instances of Amalgamation or arrangements.

Place: Hyderabad  
Date: 30-05-2025

Sd/-  
Putcha Sarada  
Company Secretary in Practice  
ACS No: A21717 CP No: 8735  
UDIN: A021717G001104414

This Report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

To,  
The Members,  
Salguti Industries Limited

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and process 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 process and practices, we followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. I was informed by the Management of the Company that the Company do not have any Subsidiaries / Associate Companies.

Place: Hyderabad  
Date: 30-05-2025

Sd/-  
Putcha Sarada  
Company Secretary in Practice  
ACS No: A 21717 CP No: 8735

## DISQUALIFICATION OF DIRECTORS

For the financial year ended March 31, 2025

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

To,  
The Members,  
SALGUTI INDUSTRIES LTD  
1-2-288/6/4, DOMALAGUDA, HYDERABAD, Telangana, India - 500029

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SALGUTI INDUSTRIES LIMITED having CIN (Corporate Identification Number) L25209TG1984PLC005048 and having registered office at 1-2-288/6/4, DOMALAGUDA, HYDERABAD, Telangana, India - 500029(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 clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Director Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below (in the table) for the financial year ending on March 31, 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:

Sl.NO	NAME OF DIRECTOR	DIN	DATE OF APPOINTMENT IN COMPANY
1.	Vishnuvardhan Reddy Salguti	00051641	20-October-1984
2.	Nagaraj Draksharam	023065654	04-October-2012
3.	Rajitha Reddy Salguti	00051603	20-October-1984
4.	Lakshmikar Reddy Mundla	00493922	30-September-2019
5.	Indira Reedy Kuknoor	02435247	30-March-2019

\*Date of appointment of all the Directors are original date of appointment as per MCA record.

Ensuring the eligibility 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

Date: 30-05-2025

Place: Hyderabad

Sd/-

CS Putcha Sarada

Company Secretary in Practice

M. No: A21717; CP: 8735

## MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT:

Pursuant to the provisions of SEBI (LODR) Regulations 2015, Management Discussion and Analysis Report is given below:

### COMPANY'S PRODUCTS / SERVICES

- ✚ Plastic Division: Our Company is Manufacturing HDPE/PP Woven sacks for packing of Fertilizers & Cement.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Internal control systems are aimed at promoting operational efficiencies while stressing adherences to policies. The systems are designed with adequate internal controls commensurate size and nature of operations. Transactions are executed in accordance with the company policies. Assets are safeguarded and deployed in accordance with the Company's Policies.

The Company has in place adequate internal financial controls with reference to financial statements. Periodic audits are undertaken on a continuous basis covering all the operations i.e., manufacturing, sales & distribution, marketing, finance, etc. Reports of internal audits are reviewed by management from time to time and desired actions are initiated to strengthen the control and effectiveness of the system.

### MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS:

The Company is able to retain the experienced staff, in spite of the copper consuming Industries are under recession, the Company feels confident of keeping its manpower costs to below industry norms. The atmosphere that is created in the organization is conducive for self-development and career growth; this is the success in retaining our manpower.

### INDEPENDENT DIRECTORS

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 of the Companies Act, 2013 and the provisions of SEBI (LODR) Regulations 2015. The Company has complied with the requirement of training of the Independent Directors and their performance evaluation and holding separate meetings for the Independent Directors.

1. DETAILS OF ANNUAL GENERAL MEETINGS: LOCATION AND TIME OF THE LAST THREE AGMS.

AGM	YEAR	VENUE	DATE	TIME
39 <sup>th</sup>	2023-2024	Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”)	24.08.2024	12: 30 P.M
38 <sup>th</sup>	2022-2023	Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”)	23.09.2023	12: 30 P.M
37 <sup>th</sup>	2021-2022	Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”)	30.09.2022	12: 30 P.M

Postal ballot:

During the year under review, the company has not conducted any postal Ballot

DISCLOSURES

- i. There were no materially significant related party transactions that may have potential conflict with the interest of the Company at large.
- ii. There was no incidence of non-compliance during the last three years by the Company on any matter related top Capital markets. There were no penalties, strictures imposed on the companyby Stock Exchange or SEBI or any statutory authority.
- iii. The Company has complied with all the mandatory requirements of SEBI (LODR) Regulations 2015.

9. NOTES ON DIRECTORS APPOINTMENT/RE-APPOINTMENT:

Relevant details form part of the explanatory statement to the notice of the Annual General Meeting/Director’s Report.

10. MEANS OF COMMUNICATIONS:

The quarterly, half-yearly and yearly financial results will be sent to the Stock Exchanges immediately after the Board approves the same and these results will also be published in prominent daily newspapers. These financial statements, press releases are also posted on the Company’s website. As the financial performance of the Company is well published, individual communication of half yearly results are not sent to the shareholders.

The Management Discussion and Analysis Report forms part of the annual report, which is posted to the shareholders of the Company.

## 10. GENERAL SHAREHOLDER INFORMATION:

### (I) Annual General Meeting

Date : 27-09-2025  
Time : 12: 30 PM  
Venue : Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”)

### (II) Financial Calendar 1<sup>st</sup> April, 2025 to 31<sup>st</sup> March, 2026 (Tentative Schedule)

Quarter ending June 30, 2025	: Declared on 14 <sup>th</sup> August, 2025
Quarter ending September 30, 2025	: On or before 14 <sup>th</sup> November, 2025
Quarter ending December 31, 2025	: On or before 14 <sup>th</sup> February, 2026
Quarter ending March 31, 2026	: on or before 30 <sup>th</sup> May 2026
Annual General Meeting for FY ended 31 <sup>st</sup> March, 2025	: On or before 27 <sup>th</sup> September, 2025

### (III) Listing on Stock Exchanges: BSE Limited (BSE)

The listing fee has been paid to all the Stock Exchanges where the Company’s shares are listed.

### (IV) Stock Code

BSE Limited (BSE)	: 526554 /SALGUTI
Dematerialization of Securities	: ISIN: INE159C01012

(V) Market Price Data: High, Low during each Month in last Financial Year

During the financial year the shares of the company were traded on BSE Limited, the following Market Price High & Low during each Month in the Last Financial Year 2024-2025 as follows:

Month	High	Low
Apr-2024	37.40	35.70
May-2024	39.25	37.40
Jun-2024	41.19	39.25
Jul-2024	41.19	39.14
Aug-2024	41.09	39.04
Sep -2024	39.04	37.09
Oct-2024	42.18	36.50
Nov-2024	41.85	39.88
Dec-2024	41.85	41.80
Jan-2025	43.89	41.80
Feb-2025	43.85	43.85
Mar-2025	46.04	43.85

(VI) Stock Performance in Comparison to Broad-based indices such as BSE Sensex, CRISIL Index, BZX 200, Nifty etc.

During the financial year the shares of the company were traded actively and the Share price has been moving with the trend of the indices.

(VII) Transfer Agents

M/s. Aarthi Consultants Private Limited  
1-2-285, Domalguda, Hyderabad – 500 029.  
Ph: 040-2763 8111; 040-2763 4445  
Fax: 040-2763 2184  
Website: [www.aarthiconsultants.com](http://www.aarthiconsultants.com)  
Email: info@[arthiconsultants.com](mailto:info@arthiconsultants.com)

(VIII) Share Transfer System  
Documents will be accepted at

M/s. Aarthi Consultants Private Limited  
1-2-285, Domalguda, Hyderabad – 500 029.  
Ph: 040-2763 8111; 040-2763 4445  
Fax: 040-2763 2184  
Website: [www.aarthiconsultants.com](http://www.aarthiconsultants.com)  
Email: [info@arthiconsultants.com](mailto:info@arthiconsultants.com)

The Shares of the Company are in physical form and electronic form. The transfer of shares in demat form is done through the Depositories without involvement of the Company. As regards, transfer of shares held in physical form, the transfer documents can be lodged with Company as well as Registrars M/s. Aarthi Consultants Private Limited at above-mentioned address.

The Transfer of shares in physical form is normally processed within 10-15 days from the date of receipt if the documents are complete in all respects. The Share Transfer Committee severally empowers to approve the transfers.

(IX) Statement Showing Distribution Schedule as on 31.03.2025

SL NO	CATEGORY	HOLDERS	HOLDERS PERCENTAGE	SHARES	AMOUNT	AMOUNT PERCENTAGE
1	1 - 5000	2542	79.17	545677	5456770	7.24
2	5001 - 10000	284	8.84	245807	2458070	3.26
3	10001 - 20000	295	9.19	528915	5289150	7.02
4	20001 - 30000	27	0.84	68567	685670	0.91
5	30001 - 40000	11	0.34	38534	385340	0.51
6	40001 - 50000	15	0.47	72676	726760	0.96
7	50001 - 100000	15	0.47	106632	1066320	1.41
8	100001 & Above	22	0.69	5929892	59298920	78.68
<b>Total</b>		<b>3211</b>	<b>100.00</b>	<b>7536700</b>	<b>75367000</b>	<b>100.00</b>

(X) Statement Showing Shareholding Pattern as on 31.03.2025

Category	Category of shareholder	No. of share holders	No. of fully paid up equity shares held	Shareholding as a % of total no. of shares
(A )	Promoter & Promoter Group	11	5054600	67.07
(B )	Public	3200	2482100	32.93
	Total	3211	7536700	100.00

(XI) Dematerialization of shares & liquidity

The Company's shares are compulsory traded in dematerialized form and are available for trading on both the Depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Company representing 80.13% of the company's share capital are dematerialized as on 31<sup>st</sup> March 2025.

The Company's shares are listed and eligible to trade on the above-mentioned Stock Exchanges in electronic form. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE159C01012.

(XIII) Plant Location	Plot No. 154/A2, Sri Venkateswara Indl. Estate, Bollaram, Medak Dist. Telangana	Survey No. 548/A, Mudireddypalli Village, Balanagar Mandal, Mahaboobnagar Dist. Telangana
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(XIV) Address for Correspondence	# 8-2-334/18, 3 <sup>rd</sup> Floor, Road No.3, Banjara Hills, Hyderabad-500034, Telangana, India
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DECLARATION ON CODE OF CONDUCT AS REQUIRED BY SCHEDULE V OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I, Vishnu Vardhan Reddy Salguti, Managing Director of SALGUTI INDUSTRIES LIMITED("The Company") hereby state and affirm Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management of the company during Financial Year 2024-25.

For and on behalf of the Board of  
Salguti industries Limited

Place: Hyderabad  
DATE: 30-05-2025

Sd/-  
S. Vishnu Vardhan Reddy  
Managing Director  
(DIN: 00051641)

## 11. OTHER DISCLOSURES AS PER THE PROVISIONS OF SEBI(LODR) REGULATIONS 2015

### i. Code of Conduct

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

### ii. Certificate of Code of Conduct for the year 2024-2025

M/s. Salguti Industries Limited is committed for conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted "Code of Conduct" which is applicable to all director, officers and employees.

I hereby certify that all the Board Members and Senior Management have affirmed the compliance with the Code of Conduct, under a certificate of Code of Conduct for the year 2024-2025.

Place: Hyderabad  
Date: 30-05-2025

Sd/-  
S. Vishnu Vardhan Reddy  
Managing Director  
DIN: 00051641

### iii. Disclosure of Accounting Treatment

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently. There have been no deviations from the treatment prescribed in the Accounting Standards notified under the provisions of the Companies Act, 2013.

### iv. Non-executive directors' compensation and disclosures

None of the Independent / Non-executive Directors has any pecuniary relationship or transactions with the Company which in the judgment of the Board may affect the independence of the Directors.

### v. CEO/CFO Certification

The CEO and CFO certification of the financial statements for the year 2024- 2025 is provided elsewhere in this Annual Report.

For Salguti Industries Limited

Place: Hyderabad  
Date: 30-05-2025

Sd/-  
S. Vishnu Vardhan Reddy  
Managing Director  
DIN: 00051641

Sd/-  
S. Rajitha Reddy  
Whole-Time Director  
DIN: 00051603

CERTIFICATE BY THE CHIEF EXECUTIVE OFFICER (CEO) AND THE CHIEF FINANCIAL OFFICER  
(CFO)

I, Mr. Vishnuvardhan Reddy Salguti, Managing Director of M/s Salguti Industries Limited certify:

1. That we have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March 2025 and to the best of our knowledge and belief;
  - These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
  - These statements present a true and fair view of the company's affair and are in compliance with the existing accounting standards, applicable laws and regulations.
2. That there are, to the best of our knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct;
3. That we accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which we are aware and the steps that we have taken or purpose to take and rectify the identified deficiencies and;
4. That we have informed the auditors and the audit committee of:
  - a) Significant changes in the internal control during the year;
  - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c) There is no Instances of significant fraud of which we have become aware and the involvement of an employee having a significant role in the company's internal control system.

Place: Hyderabad  
Date: 30-05-2025

Sd/-  
S. Vishnu Vardhan Reddy  
Managing Director

Sd/-  
S Rajitha Reddy  
Chief Financial Officer

## INDEPENDENT AUDIT REPORT

To the Members of  
M/s SALGUTI INDUSTRIES LIMITED  
Report on the IND AS Financial Statements

### Opinion

We have audited the accompanying IND AS Financial Statements of **M/s SALGUTI INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2025, and Statement of Profit and Loss (including Other Comprehensive Income), statement of changes in Equity and the Cash Flow Statement for the year ended, and notes to the IND AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India of the state of affairs of the company as at 31<sup>st</sup> march 2025, and its loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the IND AS 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 IND AS 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 the IND AS Financial statements.

### Key Audit Matters

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

We have determined the matters described below to be the Key Audit Matters to be included in our Audit procedures.

Key audit matters	How the matter was addressed in our audit
<b>Revenue including receivables</b>	
The Company derives its revenues from multiple products such as woven sacks, textile products etc. Revenue from sale of goods is recognized at a point in time when the control has been transferred subject to the terms with the customers, which generally coincides with dispatch of goods to customers.	<p>Our audit procedures in respect of this area included:</p> <ul style="list-style-type: none"> <li>Assessed the appropriateness of the Company's revenue recognition accounting policies in compliance with IND AS 115 "Revenue from contracts with customers".</li> <li>Obtained an understanding and assessed the design and operating effectiveness of key internal controls over the revenue process and placed specific attention on the timing, occurrence and value of the revenue recognition.</li> <li>Verified the adequacy of disclosures in the financial statements in compliance with IND AS 115.</li> </ul>

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

The Company's Management & Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the IND AS Financial Statements and our auditor's report thereon.

Our opinion on the IND AS 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 IND AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the IND AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

#### Management's Responsibility for the IND AS financial statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these IND AS financial statements that give a true and fair view of the financial position, financial performance(including the other comprehensive income), cash flows and Statement of Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Relevant Rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of

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

In preparing the IND AS 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 is responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility**

Our objectives are to obtain reasonable assurance about whether the IND AS 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 IND AS financial statements.

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

- Identify and assess the risks of material misstatement of the IND AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit Procedures that is appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists; we are required to draw attention in our auditor's report to the related disclosures in the IND AS 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 IND AS financial statements, including the disclosures, and whether the IND AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

### **Report on Other Legal and Regulatory Requirements**

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

d. In our opinion, the aforesaid IND AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Relevant Rules issued there under.

e. On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and we given an unmodified opinion.

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

i. The Company does not have any pending litigations which would impact its financial position.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

IV. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement;

V. The Company has neither declared nor paid any dividend during the year.

VI. The Company has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility ,but it has not enabled the same in the software during the year.

**For P Murali & Co**  
**Chartered Accountants**  
**FRN: 007257S**

**A. Krishna Rao**  
**Partner**  
**Membership No.020085**  
**UDIN: 25020085BMILFR9962**

**Place: Hyderabad**  
**Date: 30-05-2025**

## **Annexure A to the Auditor's Report**

**M/s SALGUTI INDUSTRIES LIMITED on the Ind AS financial statements for the year ended March 31, 2025, we report that:**

1. (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.  
(ii) The Company does not have any intangible Asset.  
(b) As explained to us and in our opinion, Property, Plant & Equipment have been physically verified by the management at regular intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.  
(c) Based on our examination of the property tax receipt, title deeds provided to us, we report that, the title deeds in respect of all immovable properties disclosed in the IND AS financial statements under the head Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.  
(d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment.  
(e) According to the information and explanation given to us, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. (a) According to the information given to us, inventories were physically verified during the year by the Management at reasonable intervals. In our opinion, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.  
(b) According to the information and explanations given to us, the company has been sanctioned working capital limits in excess of Rs. 5 crore, in aggregate from the banks on the basis of security of current assets. The quarterly statements filed by the company with such banks are in agreement with the books of account of the company.
3. The company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, and Limited Liability partnerships or other parties.  
(a) The Company has not provided any loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity.

4. In our opinion and according to the information and explanations given to us, the Company has not provided any loans, investments, guarantees and securities in regards to section 185 and 186 of the Act.
5. In our opinion and according to the information and explanations given to us, during the year, the Company has not accepted any deposits or any amounts which are deemed to be deposits. Accordingly, Clause 3(v) of the Order is not applicable to the Company.
6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of The Companies Act, 2013.
7. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues and there are no other dues outstanding for more than six months as at 31<sup>st</sup> March, 2025.  
  
(b) According to the information and explanations given to us and based on the records of the company examined by us, there are no dues of Income Tax and any other major statutory dues which have not been deposited on account of any disputes.
8. According to the information and explanations given to us and based on the records of the company examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
9. a) In our opinion, and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks or financial institutions.  
  
b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not been declared willful defaulter by any bank or financial institution or others.  
  
c) According to the information and explanations given to us and on the basis of our examination of the books of the company, the company has not raised any term loans during the Year.  
  
d) According to the information and explanations given to us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.  
  
e) The company does not have any subsidiaries, joint ventures or associate companies.
10. a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.  
  
b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partially or optionally convertible) during the year.

11. a) During the course of our audit, our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company nor on the Company, during the course of audit of the Financial Statements for the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) As represented to us by the management, there were no whistle blower complaints received by the company during the year.
12. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.
13. The Company has no transactions with related parties during the year to which the provisions of section 188 applies and the company has complied with the provisions of sec 177 of the Act. However, the details of related party transactions have been disclosed in the IND AS financial statements as required under Indian Accounting standard (IND AS) 24, related party disclosures specified under section 133 of the Act, read with relevant rules issued there under.
14. a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) The Company has not submitted any internal audit reports during the year.
15. According to the information and explanations given to us, in our opinion, during the year, the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of section 192 of the Act are not applicable to the Company.
16. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
17. (a) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (c) In our opinion, there is no Core Investment Companies ("CIC's") in the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) that are registered with the Reserve Bank of India ("RBI")

18. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
19. There has been no resignation of the statutory auditors of the company during the year.
20. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the IND AS financial statements and our knowledge of the board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of audit report indicating that company is not capable of meeting its liabilities existing as at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date.
21. In our opinion, the Company is not covered under the provisions of Section 135 of the Act.

**For P Murali & Co**  
**Chartered Accountants**  
**FRN: 007257S**

**A. Krishna Rao**  
**Partner**  
**Membership No.020085**  
**UDIN: 25020085BMILFR9962**

**Place: Hyderabad**  
**Date: 30-05-2025**

## Annexure B to the Independent Auditor's Report

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

We have audited the internal financial controls over financial reporting of M/s SALGUTI INDUSTRIES LIMITED ('the Company') as of 31<sup>st</sup> March, 2025 in conjunction with our audit of the IND AS financial statements of the Company for the year ended on that date.

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

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

#### Auditors' Responsibility

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

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

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

## Meaning of Internal Financial Controls over Financial Reporting

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

## Inherent Limitations of Internal Financial Controls over Financial Reporting

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

## Opinion

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

**For P Murali & Co**  
**Chartered Accountants**  
**FRN: 007257S**

**A. Krishna Rao**  
**Partner**  
**Membership No.020085**  
**UDIN: 25020085BMILFR9962**

**Place: Hyderabad**  
**Date: 30-05-2025**

**SALGUTI INDUSTRIES LIMITED**

1-2-288/6/4, Domalguda, Banjara Hills, Hyderabad - 500 029.

CIN:-L25209TG1984PLC005048

**Balance Sheet as at 31st March, 2025****(All the amounts are Rs in lakhs except "No of Shares", "F.Vof Equity share", & "EPS ")**

PARTICULARS	Note No.	As at 31st March 2025	As at 31st March 2024
		Amount	Amount
<b>ASSETS</b>			
<b>Non - Current Assets</b>			
Property, Plant, Equipment	3	359.55	520.09
Capital WIP			
Financial Assets			
Trade Investments	4	3.35	3.35
Other Financial Assets	5	348.80	334.43
Deferred tax Asset (Net)	15	22.22	-
Other non current assets	6	37.20	34.87
<b>Total Non-Current Assets</b>		<b>771.12</b>	<b>892.74</b>
<b>Current Assets</b>			
Inventories	7	2,183.55	2,298.73
Financial Assets			
Trade receivables	8	1,952.69	2,073.27
Cash and cash equivalents	9	8.26	17.04
Current Tax Assets	10	110.18	92.12
Other current assets	11	321.20	379.23
<b>Total Current Assets</b>		<b>4,575.88</b>	<b>4,860.40</b>
<b>Total Assets</b>		<b>5,347.00</b>	<b>5,753.14</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share capital	12	753.67	753.67
Other equity	13	152.42	136.25
<b>Total Equity</b>		<b>906.09</b>	<b>889.92</b>
<b>Non- Current liabilities</b>			
Financial liabilities			
(i) Borrowings	14	1,869.49	1,541.58
Deferred tax liabilities (Net)		-	(12.51)
<b>Total Non- Current liabilities</b>		<b>1,869.49</b>	<b>1,529.08</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	16	1,551.52	1,686.20
Trade Payables	17		
Dues of small enterprises and micro enterprises		180.75	479.33
Dues of creditors other than small enterprises and micro enterprises		756.67	1,101.74
Other Financial Liabilities			
Other Liabilities	18	74.47	46.45
Provisions	19	0.90	1.25
Current Tax Liabilities	20	7.11	19.15
<b>Total Current liabilities</b>		<b>2,571.42</b>	<b>3,334.13</b>
<b>Total Equity and Liabilities</b>		<b>5,347.00</b>	<b>5,753.14</b>

Summary of significant Accounting Policies

2

(0.00)

The accompanying Notes are an Integral Part of the Financial Statements

AS PER OUR REPORT OF EVENT DATE

For P.MURALI & CO.,  
CHARTERED ACCOUNTANTS  
Firm Regn. No: 007257S

For and behalf of the Board of Directors  
Salguti Industries Limited

A.Krishna Rao  
Partner  
Membership No.:020085  
UDIN:25020085BMILFR9962

S.Vishnu Vardhan reddy  
Managing Director  
DIN:00051641

S.Rajitha Reddy  
CFO & Whole Time Director  
DIN:00051603

Rashi Pathak  
Company secretary

Place: Hyderabad  
Date: 30-05-2025

**SALGUTI INDUSTRIES LIMITED**

1-2-288/6/4, Domalguda, Banjara Hills, Hyderabad - 500 029.

CIN:-L25209TG1984PLC005048

**Statement of Profit and Loss for the Year ended 31st March, 2025****(All the amounts are in lakhs except "No of Shares", "F.Vof Equity share", & "EPS ")**

Particulars	Note	For the year ended	For the year ended
		31 March 2025	31 March 2024
		Amount	Amount
I. Revenue from operations	21	8,721.79	8,659.79
II. Other Income	22	18.34	33.77
<b>III. Total Income (I+II)</b>		<b>8,740.13</b>	<b>8,693.56</b>
<b>IV. Expenses</b>			
Cost of Material Consumed	23	6,511.79	6,540.71
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	24	(9.21)	(79.31)
Other Operating Expenses	25	1,309.37	1,425.39
Employee Benefit Expenses	26	380.71	303.31
Finance costs	27	280.74	273.52
Other Expenses	28	91.74	58.85
Depreciation / Amortisation Expense	3	166.26	212.75
<b>Total Expenses (IV)</b>		<b>8,731.40</b>	<b>8,735.22</b>
<b>V. Profit/(loss) Before Exceptional Item andTax(III-IV)</b>		<b>8.73</b>	<b>(41.66)</b>
VI. Exceptional Items		-	-
<b>VII. Profit/(loss) Before Tax (V-VI)</b>		<b>8.73</b>	<b>(41.66)</b>
<b>VIII. Tax Expense</b>		<b>(7.44)</b>	<b>(30.07)</b>
Current Tax		2.27	19.15
MAT credit entitlement			
Deferred Tax	15	(9.71)	(49.23)
<b>XI. Profit for the period from Continuing operations (VII-VIII)</b>		<b>16.17</b>	<b>(11.59)</b>
X. Profit/(loss) from discontinued operations			-
XI. Tax expense of Discontinued operations			-
<b>XII. Profit/(loss) from Discontinued operations (after tax) (X-XI)</b>		<b>-</b>	<b>-</b>
<b>XIII. Profit/(loss) for the period (IX+XII)</b>		<b>16.17</b>	<b>(11.59)</b>
<b>XIV. Other comprehensive income</b>			
A. (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax related to items that will not be reclassified to profit or loss		-	-
B. Items that will be reclassified to profit or loss		-	-
(i) Income tax related to items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to Statement of Profit and Loss		-	-
<b>XV. Total Comprehensive Income for the period (XIII+XIV)Comprising Profit (Loss) and Other comprehensive Income for the period</b>		<b>16.17</b>	<b>(11.59)</b>
<b>XVI. Earning per equity share for Discontinuing operation</b>			
(1) Basic		-	-
(2) Diluted		-	-
<b>XVII. Earning per equity share for continuing operation</b>			
(1) Basic		0.21	(0.15)
(2) Diluted		0.21	(0.15)
<b>XVIII. Earning per equity share for (Discontinued and continuing Operataion)</b>			
(1) Basic		0.21	(0.15)
(2) Diluted		0.21	(0.15)

**Summary of significant Accounting Policies****The accompanying notes are an integral part of the finncial statements****As per our repot of even date attached**

**For P.MURALI & CO.,**  
**CHARTERED ACCOUNTANTS**  
**Firm Regn. No: 007257S**

**For and behalf of the Board of Directors**  
**Salguti Industries Limited**

**A.Krishna Rao**  
**Partner**  
**Membership No.:020085**  
**UDIN:25020085BMILFR9962**

**S.Vishnu Vardhan reddy**  
**Managing Director**  
**DIN:00051641**

**S.Rajitha Reddy**  
**CFO & Whole Time Director**  
**DIN:00051603**

**Place: Hyderabad**  
**Date: 30-05-2025**

**Rashi Pathak**  
**Company secretary**

**SALGUTI INDUSTRIES LIMITED**

CIN:-L25209TG1984PLC005048

**Statement of Cash flow for the year ended 31st March 2025****(All the amounts are in lakhs except "No of Shares", "F.V of Equity share", & "EPS ")**

Particulars	For the year ended 2025	For the year ended 2024
	Amount	Amount
<b>A. Cash flow from operating activities</b>		
Profit / (Loss) before tax	8.73	(41.66)
operating activities.		
Depreciation on property, plant and equipment	166.26	212.75
(Gain)/loss on sale of property, plant and equipment		
Excess Loss		
Interest income	(16.28)	(33.77)
Unamortised Expenses Written Off		
Finance costs (including fair value change in financial instruments)	280.74	273.52
Share of profit of an associate or a joint venture		
<b>Operating Profit before working capital changes</b>	<b>439.44</b>	<b>410.84</b>
<b>Working capital adjustments</b>		
Decrease/ (increase) in Inventory	115.18	(74.97)
Increase/ (decrease) in Trade Payables	(643.65)	92.49
(Increase) / decrease in Trade Receivables	120.19	229.53
Decrease/ (increase) in Current assets	58.04	(171.37)
Decrease/ (increase) in other Non-Current assets	(2.33)	(5.81)
Decrease/ (increase) in Current Tax Assets	(18.06)	(10.45)
(Decrease)/ increase in Current Tax liabilities	(12.04)	(19.26)
Increase/ (decrease) in Short Term Provisions	(0.35)	(0.62)
Increase/ (decrease) Other Current Liabilities	28.01	(43.33)
Increase/ (decrease) in Short term borrowings	(134.68)	(0.54)
Decrease/ (increase) in Other Financial Assets	(14.38)	
Cash generated from operations	<b>(64.63)</b>	<b>406.51</b>
Income tax paid	(2.27)	(19.15)
Cash flow before extraordinary items	(66.89)	387.35
Extraordinary items	-	-
<b>Net cash flows from operating activities (A)</b>	<b>(66.89)</b>	<b>387.35</b>
<b>B. Cash flow from Investing activities</b>		
Payment for purchase and construction of property, plant and equipment	(5.72)	(152.05)
Proceeds from sale of property, plant and equipment		
Proceeds from sale of financial instruments		
Interest received	16.28	33.77
Investments		
Refund/ (Investment) in bank deposits for more than 3 months		
Loans given	-	(51.26)
Repayment of loans given		
<b>Net cash flows from / (used in) investing activities (B)</b>	<b>10.56</b>	<b>(169.54)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of share capital		
Proceeds from long term loans and borrowings	328.30	67.81
Interest payment	(280.74)	(273.52)
<b>Net cash flows from / (used in) financing activities (C)</b>	<b>47.55</b>	<b>(205.71)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(8.78)</b>	<b>12.10</b>
Opening Balance of Cash	17.04	4.94
Closing Balance	<b>8.26</b>	<b>17.04</b>
<b>Components of Cash and Cash Equivalents</b>		
Cash on Hand	4.87	13.65
Balances with bank in current account	3.39	3.39
<b>Balance at the end of the year</b>	<b>8.26</b>	<b>17.04</b>

**Summary of significant Accounting Policies****The accompanying notes are an integral part of the financial statements****As per our report of even date attached**

**For P.MURALI & CO.,**  
**CHARTERED ACCOUNTANTS**  
**Firm Regn. No: 007257S**

**For and behalf of the Board of Directors**  
**Salguti Industries Limited**

**A.Krishna Rao**  
**Partner**  
**Membership No.:020085**  
**UDIN:25020085BMILFR9962**

**S.Vishnu Vardhan reddy**  
**Managing Director**  
**DIN:00051641**

**S.Rajitha Reddy**  
**CFO & Whole Time Director**  
**DIN:00051603**

**Place: Hyderabad**  
**Date: 30-05-2024**

**Rashi Pathak**  
**Company secretary**

Note no.3 Notes to financial statements for the year ended March 31,2025

PROPERTY, PLANT AND EQUIPMENT

DESCRIPTION OF ASSET	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Block as at 01/04/2024	Additions during the year	Sales during the year	Total Block as at 31/03/2025	Upto 31-03-2024	For the year	Adjustments during the year	Total as at 31/03/2025	As at 31/03/2025	As at 31/03/2024
Land & Site Development	2.03	-	-	2.03	-	-	-	-	2.03	2.03
Furniture & Fixtures	5.84	-	-	5.84	4.94	0.55	-	5.50	0.34	0.90
Computers	26.89	-	-	26.89	26.34	0.56	-	26.89	-	0.56
Vehicles	48.41	-	-	48.41	45.99	-	-	45.99	2.42	2.42
Electrical Installations and Equipme	82.81	-	-	82.81	82.81	-	-	82.81	-	-
Office equipment	6.03	-	-	6.03	2.46	1.15	-	3.60	2.43	3.57
Buildings	409.46	-	-	409.46	195.94	12.98	-	208.92	200.54	213.52
Plant & Machinery	3,030.01	5.72	-	3,035.73	2,732.93	151.02	-	2,883.95	151.79	297.08
				-				-	-	
<b>Total</b>	<b>3,611.49</b>	<b>5.72</b>	<b>-</b>	<b>3,617.21</b>	<b>3,091.40</b>	<b>166.26</b>	<b>-</b>	<b>3,257.66</b>	<b>359.55</b>	<b>520.09</b>
<b>2023-24</b>	<b>3,459.44</b>	<b>152.05</b>	<b>-</b>	<b>3,611.49</b>	<b>2,878.65</b>	<b>212.75</b>	<b>-</b>	<b>3,091.40</b>	<b>520.09</b>	<b>580.79</b>

**SALGUTI INDUSTRIES LIMITED**  
**Notes to Financial Statement as at 31st March, 2025**  
**(All the amounts are in lakhs except "No of Shares", "F.V of Equity share", & "EPS ")**

<b>4.Trade Investments</b>	<b>As at</b>	<b>As at</b>
<b>Particulars</b>	<b>31st March 2025</b>	<b>31st March 2024</b>
	<b>Amount</b>	<b>Amount</b>
Baroda Pioneer Mutual Fund	3.35	3.35
<b>Total Investments</b>	<b>3.35</b>	<b>3.35</b>

<b>5. Other Financial Assets</b>	<b>As at</b>	<b>As at</b>
<b>Particulars</b>	<b>31st March 2025</b>	<b>31st March 2024</b>
	<b>Amount</b>	<b>Amount</b>
Deposits (Including Security deposits)		
Electricity Department	146.74	146.74
EMD	54.25	55.25
Others	39.18	30.00
Bank deposits with more than 12 months maturity	108.64	102.44
<b>Total Other Financial Assets</b>	<b>348.80</b>	<b>334.43</b>

<b>6. Other Non-Current Assets</b>	<b>As at</b>	<b>As at</b>
<b>Particulars</b>	<b>31st March 2025</b>	<b>31st March 2024</b>
	<b>Amount</b>	<b>Amount</b>
<b>Others:</b>		
Gratuity Fund	37.20	34.87
<b>Total Other Non-Current Assets</b>	<b>37.20</b>	<b>34.87</b>

<b>7. Inventories</b>	<b>As at</b>	<b>As at</b>
<b>Particulars</b>	<b>31st March 2025</b>	<b>31st March 2024</b>
	<b>Amount</b>	<b>Amount</b>
Raw materials	358.74	483.13
Work-in-progress	1,776.36	1,735.24
Finished goods	48.46	80.36
<b>Total Inventories</b>	<b>2,183.55</b>	<b>2,298.73</b>

<b>8. Trade Receivables</b>	<b>As at</b>	<b>As at</b>
<b>Particulars</b>	<b>31st March 2025</b>	<b>31st March 2024</b>
	<b>Amount</b>	<b>Amount</b>
Trade Receivables considered good - Unsecured;	1,952.69	2,073.27
<b>Total Trade Receivables</b>	<b>1,952.69</b>	<b>2,073.27</b>

Ageing for trade receivables as at March 31, 2025 is as follows:

(In Rs Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	1,299.81		652.88			1,952.69
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>1,299.81</b>	<b>-</b>	<b>652.88</b>	<b>-</b>	<b>-</b>	<b>1,952.69</b>

Ageing for trade receivables as at March 31, 2024 is as follows:

(In Rs Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
	1,317.40	16.57	1.07	660.94	4.27	2,000.26
(i) Undisputed Trade receivables - considered good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables-considered good	-	-	-	-	73.02	73.02
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired			-			
<b>Total</b>	<b>1,317.40</b>	<b>16.57</b>	<b>1.07</b>	<b>660.94</b>	<b>77.29</b>	<b>2,073.27</b>

9. Cash and Cash Equivalents	As at	As at
Particulars	31st March 2025	31st March 2024
	Amount	Amount
<b><u>Cash &amp; Cash Equivalents :</u></b>		
Balances with Banks		
In Current Accounts	3.39	3.39
Cash on hand	4.87	13.65
<b>Total Cash and Cash Equivalents</b>	<b>8.26</b>	<b>17.04</b>
10. Current Tax Assets	As at	As at
Particulars	31st March 2025	31st March 2024
	Amount	Amount
a) GST Input	38.24	30.41
b) TCS Receivable	5.99	5.59
c) TDS Receivable	65.95	56.12
<b>Total Current Tax Assets</b>	<b>110.18</b>	<b>92.12</b>
11. Other Current Assets	As at	As at
Particulars	31st March 2025	31st March 2024
	Amount	Amount
a) Advances to Employees	27.96	53.56
b) Advances to Suppliers	131.08	9.81
c) Other Advances	27.05	79.26
d) Other receivable	124.66	230.36
e) Interest receivable	6.31	6.25
f) Others	4.14	-
<b>Total Other Current Assets</b>	<b>321.20</b>	<b>379.23</b>

**SALGUTI INDUSTRIES LIMITED**  
**Notes to Financial Statement as at 31st March, 2025**  
**(All the amounts are in lakhs except "No of Shares", "F.Vof Equity share", & "EPS ")**

**12. Share Capital:**

Particulars	As at	As at
	31-Mar-25	31-Mar-24
<b>Authorised Capital</b> 1,20,00,000 (March 31, 2017: 1,20,00,000) Equity shares of Rs. 10/- each	1,200	1,200
<b>Issued, subscribed &amp; fully paid up Capital</b> 75,36,700 (March 31, 2017: 75,36,700) Equity shares of Rs. 10/- each	753.67	753.67
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>753.67</b>	<b>753.67</b>

**a.Terms/ rights attached to the equity shares:**

i) The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-. Each, holder of equity shares is entitled to one vote per share.

ii) In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts in proportion to the number of equity shares held by the share holders.

iii) No shares have been issued for consideration other than cash during the immediately preceding five years from the end of the reporting period.

**b. Reconciliation of equity shares outstanding as at the beginning and at the end of the reporting Period:**

Particulars	As at		As at	
	31-Mar-25		31-Mar-24	
	No. of Shares	Amount in Lakhs	No. of Shares	Amount in Lakhs
<b>Equity shares</b>				
Ordinary equity shares				
Shares at the beginning of the year	75,36,700	753.67	75,36,700	753.67
Issued during the year	-	-	-	-
<b>Shares outstanding as at end of the period</b>	<b>75,36,700</b>	<b>753.67</b>	<b>75,36,700</b>	<b>753.67</b>

**(1) As at 31-03-2025**

	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
Balance at the beginning of the current reporting period				
753.67	-	753.67	-	753.67

**(1) As at 31-03-2024**

	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
Balance at the beginning of the current reporting period				
753.67	-	753.67	-	753.67

**c.Shares held by promoters at the end of the year**

Shares held by promoters at the end of the year			% Change during the year
Promoter name	No. of Shares	% of total shares	
SUDHEER REDDY MALLAPALLY	27,500	0.36%	-
INDIRA REDDY KUKNOOR	30,500	0.40%	-
RAJITHA REDDY SALGUTI	10,32,675	13.70%	-
VISHNU VARDHAN REDDY SALGUTI	12,59,900	16.72%	-
RAGHUVARDHAN REDDY MASTIPOOR	12,000	0.16%	-
HANMANTH REDDY GOUNI	34,250	0.45%	-
VENKATESHWARA REDDY SALUGUTI	24,000	0.32%	-
GOPALREDDY SALGUTI	1,71,800	2.28%	-
PRAJWAL R SALGUTI	7,78,500	10.33%	-
SALGUTI FINANCE & INVESTMENTS (P) LTD.,	14,54,375	19.30%	-
SALGUTI BUILDERS PVT LTD.,	2,27,500	3.02%	-
MUNDLA LAKSHMIKAR REDDY	1,600	0.02%	-
<b>Total</b>	<b>50,54,600</b>	<b>67.07%</b>	

**d. Details of Shareholders holding more than 5% Shares in the Company**

Name of the Shareholder	As at		As at	
	31-Mar-25		31-Mar-24	
	No. of Shares	% of holding	No. of Shares	% of holding
<b>Ordinary equity shares</b>				
1. S. Rajitha Reddy	10,32,675	13.70%	10,32,675	13.70%
2. Salguti Finance And Investments	14,54,375	19.30%	14,54,375	19.30%
3. S. Vishnuvardhan Reddy	12,59,900	16.72%	12,59,900	16.72%
4. S.Prajwal Reddy	7,78,500	10.33%	7,78,500	10.33%

<b>Salguti Industries Limited</b>				
<b>12. EQUITY SHARE CAPITAL</b>				
(1) Current reporting period				
				Amount in Lakhs
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
753.67	-	753.67	-	753.67
(2) Previous reporting period				
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
753.67	-	753.67	-	753.67

13. Other Equity																
(All the amounts are in lakhs except "No of Shares", "F.V of Equity share", & "EPS ")																
(1) Current reporting period as at 31-03-2025																
Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves And Surplus					Items of Other Comprehensive Income						Money received against share warrant	Total	
			Investment allowance reserves	General reserve	Securities premium reserve	Subsidy	Retained earnings	Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign	Other items of Comprehensive Income (specify nature)			
Balance at the March 31, 2024	-	-	6.02	-	150.00	243.75	(263.52)	-	-	-	-	-	-	-	136.25	
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Restated balance at the beginning of the current reporting period	-	-	-	-	150.00	243.75	(263.52)	-	-	-	-	-	-	-	136.25	
Total Comprehensive Income for the period	-	-	-	-	-	-	16.17	-	-	-	-	-	-	-	16.17	
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Balance at the March 31, 2025	-	-	6.02	-	150.00	243.75	(247.35)	-	-	-	-	-	-	-	152.42	
(1) Previous reporting period as at 31-03-2024																
Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves And Surplus					Items of Other Comprehensive Income						Money received against share warrant	Total	
			Investment allowance reserves	General reserve	Securities premium reserve	Subsidy	Retained earnings	Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign	Other items of Comprehensive Income (specify nature)			
Balance at the March 31, 2023	-	-	6.02	-	150.00	243.75	(251.93)	-	-	-	-	-	-	-	147.84	
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Restated balance at the beginning of the current reporting period	-	-	-	-	150.00	243.75	(251.93)	-	-	-	-	-	-	-	147.84	
Total Comprehensive Income for the period	-	-	-	-	-	-	(11.59)	-	-	-	-	-	-	-	(11.59)	
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Any other change (to be specified)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Balance at the March 31, 2024	-	-	6.02	-	150.00	243.75	(263.52)	-	-	-	-	-	-	-	136.25	

13. Other Equity		
Particulars	As at	As at
	31st March 2025	31st March 2024
	Amount	Amount
Securities Premium	150.00	150.00
Investment Allowance Reserve As per last Balancesheet	6.02	6.02
Subsidy	243.75	243.75
Retained Earnings/ (Surplus)		
Surplus/(deficit) in the statement of profit and loss:		
Balance as at the beginning of the year	(263.52)	(251.93)
Add: change to profit / (loss) for the year	16.17	(11.59)
Balance as at the end of the year	(247.35)	(263.52)
Total	152.42	136.25

14. Long -Term Borrowings	As at	As at
Particulars	31st March 2025	31st March 2024
	Amount	Amount
i) From Banks		
OBC COVID LOAN	-	9.58
OBC COVID LOAN II	31.67	50.67
HDFC COVID LOAN-I(86959814)	-	33.95
HDFC COVID LOAN-II (87184020)	-	8.38
THE KARUR VYSYA BANK LOAN A/C	3.00	184.97
Less: Current Maturities	19.00	42.35
	15.67	245.21
ii) From other parties		
Loans from related parties	927.83	891.83
Loans from Others	925.99	404.55
	1,853.82	1,296.38
Total Long -Term Borrowings	1,869.49	1,541.58

15. Deferred Tax Liability /(Asset)(Net)	As at	As at
Particulars	31st March 2025	31st March 2024
	Amount	Amount
Opening Deferred Tax liability	(12.51)	36.72
Add/Less: Deferred Tax Liability/(Asset) for the year ( Due to SLM and WDV Difference)	(9.71)	(49.23)
Total Deferred Tax Liability/(Asset) - (Net)	(22.22)	(12.51)

16. Short Term Borrowings	As at	As at
Particulars	31st March 2025	31st March 2024
	Amount	Amount
Loans repayable on Demand		
From Banks		
Working capital loans		
Punjab national bank	545.18	650.38
HDFC BANK-50200074413518	987.34	993.48
Current Maturities of Long term Borrowings	19.00	42.35
Total Short Term Borrowings	1,551.52	1,686.20

**Notes:**

<b>1.Loans are Secured by way of First charge on Fixed assets (Land, Plant &amp; Machinery) of the company's Rajapur Unit/ HDPE division on exclusive basis with HDFC Bank.Exclusive charge on residential plots bearing municipal Nos. 1-2-234/9, 1-2-23/9A, 1-2-234/9/B and1-2-234/9/C in Domalguda in the name of S.Vishnu Vardhan Reddy given to HDFC Bank. 2.Second Charge on current assets of company's HDPE division (Bollarum Division) on pari passu basis with HDFC Bank and Punjab National Bank. Primary Securiy by way of Hypothecation of stocks, Raw material,Plant and machinery(paripassu basis),Book-debts and entire Current Assets.</b>		
<b>3. Collateral Security: First exclusive Charge over exclusive equitable mortgage of the industrial plot no 154/A3 IN SY NO 172/A Bollarum Industrial Estate Narsapur Taluk Medak Dist given to Punjab National Bank.</b>		

17. Trade Payables	As at	As at
Particulars	31st March 2025	31st March 2024
	Amount	Amount
Trade Payables	937.42	1,581.07
Dues of small enterprises and micro enterprises	180.75	479.33
Dues of creditors other than small enterprises and micro enterprises	756.67	1,101.74
Total Trade Payables	937.42	1,581.07

Ageing for trade payables outstanding as at March 31, 2025 is as follows:

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	180.75	188.84	-	-	369.59
(ii) Others	567.83	-	-	-	567.83
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	<b>748.58</b>	<b>188.84</b>	<b>-</b>	<b>-</b>	<b>937.42</b>

Ageing for trade payables outstanding as at March 31, 2024 is as follows:

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	479.33	-	-	-	479.33
(ii) Others	1101.74	-	-	-	1101.74
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	<b>1581.07</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1581.07</b>

<b>18. Other Current Liabilities</b>	<b>As at</b>	<b>As at</b>
	<b>31st March 2025</b>	<b>31st March 2024</b>
<b>Particulars</b>	<b>Amount</b>	<b>Amount</b>
<b>Others</b>		
Outsanding Expenses Payable	43.84	39.76
Audit Fees payable	1.15	1.31
Directors Remuneration Payable	1.20	-
TDS Payable	1.74	2.30
GST Payable	26.54	0.10
Advances from customers	-	2.98
<b>Total Other Current Liabilities</b>	<b>74.47</b>	<b>46.45</b>
<b>19. Provisions</b>	<b>As at</b>	<b>As at</b>
	<b>31st March 2025</b>	<b>31st March 2024</b>
<b>Particulars</b>	<b>Amount</b>	<b>Amount</b>
Provisions for Empoyee Benefits		
PF Payable	0.42	0.79
ESI Payable	0.11	0.18
PT Payable	0.37	0.28
		-
<b>Total Provisions</b>	<b>0.90</b>	<b>1.25</b>
<b>20. Current Tax Liabilites</b>	<b>As at</b>	<b>As at</b>
	<b>31st March 2025</b>	<b>31st March 2024</b>
<b>Particulars</b>	<b>Amount</b>	<b>Amount</b>
Provision For Income Tax	4.84	19.15
Current Year provision	2.27	-
<b>Total Current Tax Liabilites</b>	<b>7.11</b>	<b>19.15</b>

**SALGUTI INDUSTRIES LIMITED**

**NOTES TO FINANCIAL STATEMENT AS AT 31st MARCH 2025**

**(All the amounts are in lakhs except "No of Shares", "F.Vof Equity share", & "EPS ")**

**21. Revenue from operations**

Particulars	For the period ended 31st Mar 2025	For the period ended 31st Mar 2024
	Amount	Amount
Sale of Products (HDPE/PP WOVEN SACKS/HDPE FABRIC/COTTON AND BLEND FABRIC)	8,721.79	8,659.79
Other Operating Income		
<b>Total Revenue from operations</b>	<b>8,721.79</b>	<b>8,659.79</b>

**22. Other Income**

Particulars	For the period ended 31st Mar 2025	For the period ended 31st Mar 2024
	Amount	Amount
Interest Income	16.28	33.77
Other Income	2.06	-
<b>Total Other Income</b>	<b>18.34</b>	<b>33.77</b>

**23. Cost of Material Consumed**

Raw Materials consumption	For the period ended 31st Mar 2025	For the period ended 31st Mar 2024
	Amount	Amount
Opening Stock of Raw Materials	483.13	487.46
Add: Purchases During the year	6,387.40	6,536.38
Less: Closing Stock of Raw material	358.74	483.13
<b>Total Cost of Material Consumed</b>	<b>6,511.79</b>	<b>6,540.71</b>

**Note: The Cost of Material Consumed is arrived on derived basis.**

**24. Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade**

Changes in inventory	For the period ended 31st Mar 2025	For the period ended 31st Mar 2024
	Amount	Amount
<b><u>Finished Goods</u></b>		
Finished goods at the beginning of the year	80.36	52.37
Less: Finished goods at the end of the year	48.46	80.36
<b>Sub Total (A)</b>	<b>31.90</b>	<b>(28.00)</b>
<b><u>Work in Progress</u></b>		
Work-in-progress at the beginning of the year	1,735.24	1,683.93
Less: Work-in-progress goods at the end of the year	1,776.36	1,735.24
<b>Sub Total (B)</b>	<b>(41.12)</b>	<b>(51.31)</b>
<b>Increase or Decrease in Inventories - (A - B)</b>	<b>(9.21)</b>	<b>(79.31)</b>

<b>25. Other Manufacturing Expenses</b>		
<b>Particulars</b>	<b>For the period ended 31st Mar 2025</b>	<b>For the period ended 31st Mar 2024</b>
	<b>Amount</b>	<b>Amount</b>
a) Consumption of Stores & Spares	53.33	51.59
b) Power & Fuel	433.58	544.19
c) Repairs & Maintenance	61.67	77.46
d) Rates & Taxes	5.07	8.08
e) Transportation	141.22	151.47
f) Other Manufacturing Expenditure	614.50	592.60
<b>Total Other Manufacturing Expenses</b>	<b>1,309.37</b>	<b>1,425.39</b>
<b>26. Employee Benefit Expenses</b>		
<b>Particulars</b>	<b>For the period ended 31st Mar 2025</b>	<b>For the period ended 31st Mar 2024</b>
	<b>Amount</b>	<b>Amount</b>
(a) Salaries & Wages	362.22	291.90
(b) Contribution to Provident & Other Funds	18.16	9.77
(c) Staff Welfare Expenses	0.33	1.63
<b>Total Employee Benefit Expenses</b>	<b>380.71</b>	<b>303.31</b>
<b>27. Finance Costs</b>		
<b>Particulars</b>	<b>For the period ended 31st Mar 2025</b>	<b>For the period ended 31st Mar 2024</b>
	<b>Amount</b>	<b>Amount</b>
a) Interest Expenses		
- Interest on Term Loan	48.63	94.85
- Interest on Working Capital loans	137.09	141.44
- Interest on Vehicle Loan	-	-
- Loan Processing Charges	10.51	3.89
b) Other Borrowing costs	84.50	33.35
<b>Total Finance Costs</b>	<b>280.74</b>	<b>273.52</b>
<b>28. Other Expenses</b>		
<b>Particulars</b>	<b>For the period ended 31st Mar 2024</b>	<b>For the period ended 31st Mar 2024</b>
	<b>Amount</b>	<b>Amount</b>
a) Communication Expenses	0.62	0.50
b) Business Promotion Expenses	23.28	14.44
c) Conveyance	10.83	6.44
d) Office Maintenance	0.35	0.36
e) Printing & Stationery Expenses	0.38	0.54
f) Security Charges	-	-
g) Consultancy & professional Charges	3.21	0.18
h) Donation	0.10	
i) Inspection fee	1.73	1.13
j) Bank Charges	12.48	14.12
k) Insurance	9.66	12.86
l) Director's remuneration	1.20	1.50
m) Vehicle Maintenance	0.10	0.36
n) General Expenses	1.75	1.10
o) Miscellaneous expenses	24.67	4.06
p) Payment to auditors		
i) For Taxation	0.11	
ii) Stock audit fee	0.12	
iii) For Statutory Audit	1.15	1.27
<b>Total Other Expenses</b>	<b>91.74</b>	<b>58.85</b>

## Significant Accounting Policies

### 1. CORPORATE INFORMATION

M/s. Salguti Industries Limited incorporated on 20th October 1984 as a Private Limited Company and converted in to Public Company on 17th August 1992. Its shares are listed on the recognized stock exchange, namely BSE Limited, in India since the year 2000. SIL (M/s. Salguti Industries Limited) has started the manufacturing unit in Plastic Division in small scale in the year 1986, gradually the capacities have been increased and the Company has graduated to medium scale by 1994. SIL is one of the leading manufacturers of HDPE/PP Woven Sacks in India now. SIL has diversified in to Textiles manufacturing industry in the year of 2006. SIL (M/s. Salguti Industries Limited) has started the manufacturing unit in Plastic Division in small scale in the year 1986.

**Registered office of the Company is situated at 1-2-288/6/4, Domalaguda, Hyderabad.**

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of Preparation

The financial statements of the company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules 2015 as amended from time to time by the Ministry of Corporate Affairs (MCA), the Provisions of Companies Act, 2013, and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use. Financial statements of the company are prepared under the historical cost convention except for the certain financial assets and liabilities measured at fair value as mentioned in applicable accounting policies. Company's financial statements are presented in Indian Rupees, which is also its functional currency.

#### (b) Historical Cost Convention

The financial statements have been prepared on a historical cost basis wherever applicable.

#### (c) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date. The Company uses valuation techniques that are appropriate in the circumstances for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

(d) Current vis-a-vis non-current classification

The assets and liabilities reported in the Balance Sheet are classified on a “current/non-current basis”, with separate reporting of assets held for sale and liabilities. Current assets, which include cash and cash equivalents, are assets that are intended to be realized, sold or consumed during the normal operating cycle of the Company or in the 12 months following the balance sheet date; current liabilities are liabilities that are expected to be settled during the normal operating cycle of the Company or within the 12 months following the close of the financial year. The deferred tax assets and liabilities are classified as non-current assets and liabilities.

(e) Classification of expenditure / Income

Except otherwise indicated:

- i) All expenditure and income are accounted for under the natural heads of account.
- ii) All expenditure and income are accounted for on accrual basis

Revenue Recognition

Revenue is the gross inflow of cash, receivables or other consideration arising in the course of the ordinary activities of an enterprise from the sale of goods, from the rendering of services, and from the use by others of enterprise resources yielding interest, royalties and dividends. Revenues from sale of goods

Revenue from sale of goods

Revenue from the sale of goods in the course of ordinary activities is measured at the value of the consideration received or receivable, net of returns, trade discounts, rate differences and volume rebates. Revenue is recognized at point of time, which represents transfer of control to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over the goods and the amount of revenue can be measured reliably. The timing of transfer of control normally happens upon shipment. However in case of consignment sales to agents revenues are recognized when the materials are sold to ultimate customers.

Further, revenues are recognized at gross value of consideration of goods & processing of goods excluding Goods and Service Tax (GST).

Revenue from sale of products is not recognized on the grounds of prudence, until realized in respect of delayed payments as recovery of amounts are not certain.

Revenue from services

Revenue from the service contract is recognized when the related services are performed and revenue from the services at the end of the reporting period is recognized based on stage of completion method. When there is uncertainty as to the ultimate collection of the revenue, recognition is postponed until such uncertainty is resolved. Revenues from service contracts are measured based on the services performed to date as a percentage of total services to be performed. In case where the services are performed by an indeterminate number of acts over a specified period of time, revenue is recognized on a straight line basis over the specified period. After the initial recognition, in respect of uncollectible amount, provisions are made in the period in which amount is identified as uncollectible.

## Interest Income

Interest income is recognised on time proportion basis. Effective interest method is used to compute the interest income on long term loans and advances.

## Insurance claim

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

## Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiary operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

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

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

## Earnings per share

### **i)** Basic earnings per share:

Basic earnings per share are calculated by dividing:

- The profit attributable to owners of the Company;
- By the weighted average number of equity shares outstanding during the financial year.

### Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- Diluted earnings per share is computed by dividing the net profit attributable to the Equity Share Holders of the Group after adjusting the effect of all dilutive potential equity shares that were outstanding during the period.
- The weighted average number of shares outstanding during the period includes the weighted average number of equity shares that could have issued upon conversion of all dilutive potential.

### Property, plant and equipment

Property, plant and equipment are initially recognized at cost after deducting refundable purchase taxes and including the cost directly attributable to bring the asset to the location and conditions necessary for it to be capable of operating in the manner intended by the management, borrowing cost in accordance with the established accounting policy, cost of restoring and dismantling, if any, initially estimated by the management. After the initial recognition the property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any.

- Benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.
- Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the assets and is recognized in profit or loss.

Depreciation methods, estimated useful lives and residual value:

- Depreciation is provided to the extent of depreciable amount on Straight Line Method (SLM) based on useful life of the following class of assets as prescribed in Part C of Schedule II to the Companies Act,
- Estimated useful lives, residual values and depreciation methods are reviewed annually, taking into account commercial and technological obsolescence as well as normal wear and tear and adjusted prospectively, if appropriate.
- Depreciation is calculated on a pro-rata basis from the date of acquisition/installation till the date, the assets are sold or disposed of.
- The useful life is for the whole of the asset, except where cost of the part of the asset is significant to the total cost of the asset and useful life of that part is different from the useful life of the remaining asset, useful life of that significant part is determined separately and the depreciable amount of the said component is allocated on systematic basis to each accounting period during the useful life of the asset.

### Inventories

#### Consumables, Stores and Spares

Inventories are valued at cost or net realizable value whichever is lower. Costs include all Non-refundable duties and all charges incurred in bringing the goods to the present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

### Financial Assets:

All financial assets are recognised initially at fair value, plus in case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset is considered. However, trade receivables that do not contain a significant financing component are measured at transaction price.

### Impairment of Financial Assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized as an impairment gain or loss in statement of profit or loss.

### Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, 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 and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

### Contributed Equity

Equity shares are classified as equity. The Company subsequently measures all investments in equity instruments other than subsidiary companies, associate company and joint venture Company at fair value. The Management of the Company has elected to present fair value gains and losses on such equity investments in Other Comprehensive Income, and there is no subsequent reclassification of these fair value gains and losses to the Statement of Profit and Loss.

### Financial liabilities:

#### **i) Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

#### **ii) Initial recognition and measurement:**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

### iii) Subsequent measurement:

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

#### Borrowings:

Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest rate method.

#### Trade and other payables:

These amounts represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Those payable are classified as current liabilities if payment is due within one year or less otherwise they are presented as non-current liabilities. Trade and other payables are subsequently measured at amortised cost using the effective interest rate method.

#### De-recognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires or transferred.

When an existing financial liability is replaced by another financial liability or substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and the recognition of a new liability. The difference in respective carrying amounts is recognised in the Statement of Profit and Loss.

#### Cash flow statement:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions 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.

#### Provisions

Provisions for legal claims, volume discounts and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provisions due to the passage of time is recognized as interest expense.

### Contingent Liability

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

### Employee benefits

#### **i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet and recognised as an expense at an undiscounted amount in the statement of profit and loss.

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

Defined contribution plans includes the amount paid by the company towards the liability for Provident fund to the employees provident fund organization, National Pension Scheme and Employee State Insurance fund in respect of ESI and defined benefits plans includes the retirement benefits, such as gratuity and paid absences (leave benefits) both accumulated and non-accumulated. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

### Foreign currency translation

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

Items included in the financial statements of the company are measured using the currency of its primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in Indian rupees (INR), which is the company's functional and presentation currency.

#### **ii) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Transaction gain or losses realized upon settlement of foreign currency transaction are included in determining the net profit for the period in which transaction is settled. Exchanges difference arise on settlement/translation of foreign currency monetary items relating to acquisition of property, plant & equipment till the period they are put to use for commercial production, are capitalized to the cost of assets acquired and provided for over the useful life.

### Critical accounting estimates and judgements

The preparation of the financial statements is in conformity with Ind AS requires 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. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. The estimates and underlying assumptions are reviewed on going concern basis.

Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, in the period of the revision and future periods if the revision affects both

The areas involving critical estimates or judgements are:

- Estimation of defined benefit obligation
- Useful life of Property Plant and Equipment
- Expected credit loss of financial assets
- Income Taxes

The management believes that these estimates are prudent and reasonable and are based on management's best knowledge of current events and actions.

### Related Party Transactions:

The Company furnishes the Disclosure of transactions with related parties, as required by Ind AS 24 "Related Party Disclosures" as prescribed by Companies (Indian Accounting Standard) Rules 2015. Related parties as defined under Ind AS 24 have been identified on the basis of representation made by the management and information available with the company.

# Salguti Industries Limited

Notes to Financial Statements

(All the Amounts in Lakhs except “No. of Shares”)

29. Details of Deferred Tax Liability as on 31-03-2025 on account of timing difference is as under:

Deferred Tax Liabilities	As on 31-03-2025	As on 31-03-2024
Opening Balance	(12.51)	36.72
Add: Adjustment for timing difference of Depreciation as per Companies Act and Income Tax Act	(9.71)	(49.23)
Closing Balance	(22.22)	(12.51)

30. Related Party Disclosures:

(A) Related Parties

Name of the Related Party	Nature of Relationship
S. Vishnu Vardhan Reddy	Managing Director
S. Rajitha Reddy	Whole Time Director
Nagaraj Draksharam	Independent Director
Indira Reddy Kuknoor	Independent Director
M/s. Salguti Builders Private Limited	Commonly Controlled Organization
M/s. Salguti Finance & Investments (p) Ltd.	Commonly Controlled Organization
S. Prajwal Reddy	Son of S. Vishnu Vardhan Reddy
Rashi Pathak	Company Secretary

(B) Transactions during the year with Related Parties:

(Rs. in lakhs)

<b><u>Name of the Party</u></b>	<b>Nature of Relationship</b>	<b>Nature of Transaction</b>	<b>2024-25</b>	<b>2023-24</b>
S. Vishnu Vardhan Reddy	Managing Director	Remuneration	1.2	1.5
S. Rajitha Reddy	CFO & Whole Time Director	Remuneration	Nil	Nil
Nagaraj Draksharam	Independent Director	Remuneration	Nil	Nil
Indira Reddy Kuknoor	Independent Director	Remuneration	Nil	Nil

(C) Balances as at 31st March, 2025

<b><u>Name of the Party</u></b>	<b>Nature of Relationship</b>	<b>Nature of Transaction</b>	<b>As at 31<sup>st</sup> March 2025 (Rs. in lakhs)</b>
S. Vishnu Vardhan Reddy	Managing Director	Advances Received	349.54
S. Rajitha Reddy	CFO & Whole Time Director	Advances Received	364.39
S. Prajwal Reddy	Related Party	Advances Received	53.99
Salguti Builders Private Limited	Commonly Controlled Organisation	Advances Received	5.52
Salguti Finance & Investments (p) Ltd.,	Commonly Controlled Organisation	Advances Received	154.37

31. Pending LCs:

Particulars	Type	As at 31-03-2025	As at 31-03-2024
Letter of Credit	Inland LCs	700.00	770.00

32. Contingent Liabilities:

Name of the Statute	Forum where dispute is pending	Period to which the amount relates	Outstanding Demand Amount involved
NIL	NIL	NIL	NIL

33. Earnings Per Share:

Particulars	FY 2024-25	FY 2023-24
Net profit after tax	16.17	(11.59)
Weighted Average Numbers of shares	75,36,700	75,36,700
Basic EPS (Rs.)	0.21	(0.15)
Diluted EPS (Rs.)	0.21	(0.15)

34. Depreciation on Property, Plant & Equipment

Assets are depreciated over their useful life as per Schedule II of the Companies Act, 2013.

35. Segment Reporting

Segment Reporting is not applicable as the company operates in only one segment viz. Plastic business.

**36. Additional disclosure under the regulatory requirements:**

- i. Title Deeds of all immovable properties are held in the name of the company.
- ii. The company does not have any intangible assets under development.
- iii. No proceedings have been initiated during the year or are pending against the company as at 31<sup>st</sup> March, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- iv. According to the information and explanations given to us, the company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from the banks on the basis of security of current assets. In our opinion According to the information given to us the quarterly statements filed by the company with such banks are in agreement with the books of account of the company of the respective quarters.
- v. The Company was not declared as a willful defaulter by any bank or financial Institution or other lenders.
- vi. The Company does not have any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.
- vii. There were no charges or satisfaction which were yet to be registered with ROC beyond the statutory period.
- viii. Ratio analysis:

Sl no.	Particulars	Numerator	Denominator	31st March 2025	31st March 2024	Variance
1	Current Ratio	Current assets	Current liabilities	1.80	1.46	23%
2	Debt-Equity Ratio	Total Debt	Shareholder's Equity	4.89	3.36	45%
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	NA	NA	NA
4	Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	0.01	(0.01)	200%
5	Inventory turnover ratio	Cost of goods sold OR sales	Average Inventory	3.90	3.83	1.8%
6	Trade receivables turnover ratio	Revenue	Average Trade Receivable	4.34	3.96	9.59%
7	Trade payables turnover ratio	Purchases of services and other expenses	Average Trade Payables	5.06	4.26	18%
8	Net capital turnover ratio	Revenue	Working Capital	4.29	5.67	-24%
9	Net profit ratio	Net Profit	Revenue	(0.00)	0.00	0%
10	Return on capital employed (ROCE)	Earnings before interest and taxes	Capital Employed	-0.30	0.26	-215%

Explanation for changes in the ratio by more than 25% as compared to the preceding year

2. Due to increase in debt during the current year.

4. Due to increase in Sales, Company has incurred net profit during the current year.

10. Due to increase in expenses of finance cost during the current year.

- i. (A) To the Best of our knowledge and belief company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

(i) 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

(ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(B) To the Best of our knowledge and belief company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

(i) 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

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

ii. Undisclosed income:

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

iii. The Company does not come under the requirements of section 135 of the Act.

iv. The Company has neither declared nor paid any dividend during the year.

37. Previous year's numbers have been regrouped, rearranged, recasted, wherever necessary to confirm to Current Year Classification.

38. The Figures have been rounded off to rupees in lakhs and decimals thereof.

SIGNATURE TO NOTES 1 To 39

AS PER OUR REPORT OF EVENT DATE

For and behalf of the Board of Directors

M/s SALGUTI INDUSTRIES LIMITED

For P. MURALI & CO.,  
CHARTERED ACCOUNTANTS  
Firm Regn. No: 007257S

A. Krishna Rao  
Partner  
Membership No.:020085  
UDIN:25020085BMILFR9962

S. Vishnu Vardhan Reddy  
Managing Director  
DIN:00051641

S. Rajitha Reddy  
CFO & Whole Time Director  
DIN:00051643

Place: Hyderabad  
Date: 30-05-2025

Rashi Pathak  
Company secretary