

Chandni Machines Limited

Regd. Office: 108/109.T.V.Industrial Estate, 52 S. K. Ahire Marg, Worli, Mumbai – 400 030.India
TeleFax No :022-24950328 Email :- jrgroup@jrmehta.com, sales@cml.net.in
CIN : L74999MH2016PLC279940

Date: September 5, 2025

To,
The Listing Department,
The BSE Limited,
Phiroze Jeejeebhoy Towers,
Fort, Mumbai - 400001

Scrip Code: 542627
Scrip ID: CHANDNIMACH

Dear Sir/Madam,

Sub: Notice of 9th Annual General Meeting and Annual Report of the Company for the Financial Year 2024-25.

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclosed herewith the Notice of the 9th Annual General Meeting of the Company along with Annual Report for the Financial Year 2024-25.

We request you to take the above information on records.

Thanking You.

For Chandni Machines Limited

JAYESH
RAMNIKLAL
MEHTA

Digitally signed by JAYESH
RAMNIKLAL MEHTA
Date: 2025.09.05 17:16:16
+05'30'

Jayesh R. Mehta
Chairman & Managing Director
DIN: 00193029



ANNUAL REPORT

2024-25



CHANDNI MACHINES LIMITED

ANNUAL REPORT 2024 - 2025
CHANDNI MACHINES LIMITED

INDEX:

| SR. NO. | PARTICULARS | PAGE NO. |
|------------|---|----------|
| 1. | Board and Committees as on 31 st March, 2025 | 2 |
| 2. | Notice to Shareholders | 3 |
| 3. | Director’s Report | 24 |
| 4. | Management Discussion and Analysis Report | 41 |
| 5. | Independent Auditor Report | 46 |
| 6. | Balance Sheet as on 31 st March, 2025 | 61 |
| 7. | Profit and Loss as on 31 st March, 2025 | 63 |
| 8. | Cash Flow Statement as on 31 st March, 2025 | 64 |
| 9. | Notes on Financials | 67 |

BOARD AND COMMITTEES AS ON 31ST MARCH, 2025

| THE BOARD OF DIRECTORS | COMMITTEES |
|---|--|
| Mr. Jayesh Ramniklal Mehta [Managing Director/ Chairperson] (DIN: 00193029) | AUDIT COMMITTEE |
| | Mr. Bharat Sugnomal Bhatia [Chairperson] |
| Mrs. Amita Jayesh Mehta [Executive Director] (DIN: 00193075) | Mr. Jayesh Ramniklal Mehta |
| | Mr. Richie Amin |
| | Mr. Rameshchand Garg |
| | |
| Mr. Richie Hiralal Amin [Independent Director] (DIN: 02253316) | NOMINATION AND REMUNERATION COMMITTEE |
| | Mr. Bharat Sugnomal Bhatia [Chairperson] |
| Mr. Rameshchand Garg [Independent Director] (DIN: 03346742) | Mr. Rameshchand Garg |
| | Mr. Richie Hiralal Amin |
| Mr. Bharat Sugnomal Bhatia[Independent Director] (DIN: 00195275) | Mr. Jayesh Ramniklal Mehta |
| | |
| | STAKEHOLDERS RELATIONSHIP COMMITTEE |
| | Mr. Rameshchand Garg [Chairperson] |
| | Mr. Bharat Sugnomal Bhatia |
| | Mr. Richie Hiralal Amin |
| | Mr. Jayesh Ramniklal Mehta |
| | |
| Chief Financial Officer | Mr. Saroj Kumar Mohanta |
| | |
| Company Secretary & Compliance Officer | Mrs. Neelam Devani |
| | |
| Registered Office Address | 108/109, T.V. Industrial Estate, 52, S.K. Ahire Marg, Worli, Mumbai – 400030 |
| | |
| Registrar and Share Transfer Agent | Purva Sharegistry (India) Private Limited |
| | 9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (East), Mumbai – 400011 |
| | |
| Secretarial Auditor | M/s N. L. Bhatia & Associates |
| | |
| Statutory Auditor | M/s Ambavat Jain & Associates, LLP, Chartered Accountant |
| Banks | HDFC Bank Ltd |
| | ICICI Bank Ltd |
| | Kotak Mahindra Bank Ltd |
| Website of the Company | www.cml.net.in |

NOTICE TO SHAREHOLDERS

Notice is hereby given that 9th Annual General Meeting of the Members of Chandni Machines Limited will be held on **Monday, September 29, 2025** through Video Conferencing (VC) or other Audio-Visual Means (OAVM) at **03:00 PM** to transact the following businesses:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2025 together with the Reports of the Board of Directors, Auditors and thereon, to consider and if thought fit, pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2025 and the Reports of the Board of Directors’ and Auditors, thereon as circulated to the Members, be and are hereby considered and adopted.”

- 2) To appoint a director in place of Mrs. Amita Jayesh Mehta (DIN: 00193075), who retires by rotation and being eligible offers herself for re-appointment and in this regard, pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mrs. Amita Jayesh Mehta (DIN: 00193075) who retires by rotation at this Annual General Meeting and, being eligible, has offered herself for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

To consider and, if thought fit, to pass the following Resolution as a Special Resolution

SPECIAL BUSINESS:

- 3) **To appoint Mr. Rishabh Singhavi (DIN: 10156386) as an Independent Director of the Company**

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

“RESOLVED THAT pursuant to the provisions of Section 149, 150 and 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and the Rules made thereunder and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) (including any statutory modification(s) or re-enactment thereof for the time being in force), the provisions of the Articles of Association of the Company and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, approval of the Members be and is hereby accorded for appointment of Mr. Rishabh Singhavi (DIN: 10156386), who was appointed as an Additional Director (in the capacity of an Independent Director) of the Company with effect from September 02, 2025, and who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and is eligible for appointment under the provisions of the Act, the Rules made thereunder and the Listing Regulations, as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years i.e., from September 02, 2025 up to September 01, 2030.

RESOLVED FURTHER THAT the Board of Directors or any other person authorized by the Board of Directors and/ or Company Secretary of the Company be and are hereby authorised to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the foregoing resolution.”

4) To appoint a Company Secretary in Practice as a Secretarial Auditor for Financial Year 2025-26.

To consider and, if thought fit, to give assent or dissent to the following resolution as an **ordinary resolution**:

“RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any statutory modification(s) or re-enactment for the time being in force), and based on the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. N L Bhatia & Associates, Practicing Company Secretaries (Firm Registration No: P1996MH055800), be and are hereby appointed as the Secretarial Auditor of the Company for the financial year 2025-26, at such remuneration as may be determined by the Board of Directors of the Company in consultation with the Secretarial Auditor.”

“RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof), be and are hereby authorised to decide and finalize the terms and conditions of appointment, including the remuneration of the Secretarial Auditor, from time to time, and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

- 5) To give loans, inter corporate deposits, give guarantees in connection with loans made by any person or body corporate and acquire by way of subscription, purchase or otherwise the securities of any other body corporate in excess of the limits prescribed in Section 186 of the Companies Act, 2013.

To consider and, if thought fit, to give assent or dissent to the following resolution as Special resolution:

"RESOLVED THAT, in supersession of all the earlier resolutions passed and pursuant to the provisions of Section 186 of the Companies Act, 2013 (the 'Act') read with the Companies (Meetings of Board and its Powers) Rules, 2014, and other applicable provisions, if any, of the Act (including any statutory modification, amendment or re-enactment thereof for the time being in force) and subject to other applicable laws and such other approvals, consents, sanctions and permissions as may be required in this behalf and in terms of the Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall be deemed to include, unless the context otherwise requires, any Committee which the Board may have constituted or hereinafter constitute or any officer(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to:

- a) give loans, inter corporate deposits from time to time on such terms and conditions as it may deem expedient to any person or other bodies corporate;
- b) give on behalf of any person, body corporate, any guarantee in connection with a loan made by any other person to, or to any other person by any body corporate; and
- c) acquire by way of subscription, purchase or otherwise the securities of any other person by any body corporate, in excess of the limits prescribed under Section 186 of the Act up to an aggregate sum of **Rs. 12,00,00,000/-, (Rupees Twelve Crores)** notwithstanding that the aggregate of loans and investments so far made, the amounts for which guarantee is given along with the investments, loans, inter corporate deposits, guarantee proposed to be made or given by the Board may exceed sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

RESOLVED FURTHER THAT the Board be and is hereby authorized to negotiate the terms and conditions of the aforesaid investments, loan(s), inter-corporate deposits, or guarantee(s) as they deem fit and in the best interest of the Company and take all such steps as may be necessary to complete the same.

RESOLVED FURTHER THAT the limits indicated hereinabove in case of divestment, renewal, withdrawal, transfer or sale of investment, guarantee as the case maybe, be restored to the original sanctioned limit of Rs. 12,00,00,000/- (Rupees Twelve Crores).

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (herein referred to as "the Board", which term shall be deemed to include, unless the context otherwise required, any committee of the Board or any director or officer(s) authorized by the Board) be and is hereby authorized to negotiate, finalise and agree the terms and conditions of the aforesaid loan/guarantee/security, and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deed and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable, from time to time, that may be required in connection with the above resolution."

- 6) Approval of providing loans, guarantee or securities in connection with any loan taken by any person in whom any Director of the Company is interested pursuant to Section 185 of the Companies Act, 2013:

To consider and, if thought fit, to give assent or dissent to the following resolution as **Special resolution**:

"RESOLVED THAT pursuant to the provisions of Section 185 of the Companies Act, 2013, as amended from time to time and rules made thereunder ("said Section"), consent of shareholders of the Company be and is hereby accorded to the Board of Directors of the Company (herein referred to as "the Board", which term shall be deemed to include, unless the context otherwise required, any committee of the Board or any director or officer(s) authorized by the Board to exercise the powers conferred on the Board under this resolution) for giving of loan(s), including any loan represented by a book debt, to, and/or giving of guarantee(s), and/or providing of security(ies) in connection with any loan taken/ to be taken by any entity being an entity under the category of a person in whom any of the director of the company is interested as specified in the explanation to Sub-section 2(b) of the said Section, of an aggregate, current as well as future for outstanding amount not exceeding Rs. 12,00,00,000/-, (Rupees Twelve Crores) in one or more tranches.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (herein referred to as "the Board", which term shall be deemed to include, unless the context otherwise required, any committee of the Board or any director or officer(s) authorized by the Board) be and is hereby authorized to negotiate, finalise and agree the terms and conditions of the aforesaid loan/guarantee/security, and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deed and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable, from time to time, that may be required in connection with the above resolution."

7) Approval of Material Related party Transaction:

To consider, and if thought fit, to pass, with or without modification, the following resolution as an **ordinary resolution** for approval of related party transactions with Candour Techtex Limited;

"RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions of the Companies Act, 2013 ("Act") read with the rules made thereunder, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") including relevant circulars, and other applicable laws, including any amendments, modifications, variations, or re-enactments thereof, and pursuant to approval of the Audit Committee and subject to the provisions of the Articles of Association of the Company, the members do hereby accord their approval to the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include any Committee constituted/ empowered/ to be constituted by the Board from time to time to exercise its powers conferred by this resolution) for entering into and/ or carrying out and/ or continuing with contracts, arrangements and transactions (whether individually or taken together or series of transactions or otherwise), with Candour Techtex Limited ("CTL.") being a related party of the Company, for the financial year 2025-26 whether by way of continuation(s) or renewal(s) or extension(s) or modification(s) of earlier contracts/ arrangements/ transactions or as fresh and independent transaction(s) or otherwise as mentioned hereunder:

- i. Purchase and sale of raw material and finished goods
- iii. providing of loans/ issuance of guarantee and security
- iii. any other contracts/ arrangements or transactions including but not limited to reimbursement of expenses;

for upto 40 crores or any other materiality threshold as may be prescribed under applicable laws/ rules/ regulations, provided however, that the contracts/ arrangements/ transactions shall be carried out at an arm's length basis and in the ordinary course of business of the Company, inter alia as per the details provided herein below:

| Name of the related party | Nature of transaction | Estimated spends for FY 2025-26 |
|---------------------------|---|---------------------------------|
| Candour Techtex Limited | i. Purchase and sale of raw material and finished goods. ii. providing of loans/ issuance of guarantee and security iii. any other contracts/ arrangements or transactions including but not limited to reimbursement of expenses | Approximately upto 40 Crores |

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (herein referred to as "the Board", which term shall be deemed to include, unless the context otherwise required, any committee of the Board or any director or officer(s) authorized by the Board) be and is hereby authorized to negotiate, finalise and agree the terms and conditions, and to take all necessary steps, to execute all such documents, instruments and writings and to do all necessary acts, deed and things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things incidental or expedient thereto and as the Board may think fit and suitable, from time to time, that may be required in connection with the above resolution."

By the order of the Board
Chandni Machines Limited

Sd/-

Jayesh R Mehta
Chairperson & Managing Director
DIN: 00193029

Date: September 05, 2025
Place: Mumbai

NOTES:

- i) An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business set out in Item No. 3, 4, 5, 6 and 7 of the accompanying Notice to be transacted at the Annual General Meeting is annexed hereto.
- ii) The Ministry of Corporate Affairs (“MCA”) vide its General Circulars No. 14/2020 dated April 8, 2020; 17/2020 dated April 13, 2020; 20/2020 dated May 05, 2020; 22/2020 dated June 15, 2020; 33/2020 dated September 28, 2020; 39/2020 dated December 31, 2020; 10/2021 dated June 23, 2021; 20/2021 dated December 08, 2021; 3/2022 dated May 5, 2022; 11/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 and 09/2024 dated September 19, 2024 (hereinafter collectively referred to as ‘MCA Circulars’) and Securities and Exchange Board of India (‘SEBI’) vide its Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11, SEBI/HO/CFD/CMD2/CIR/P/2022/62 and SEBI/HO/CFD/CMD/PoD2/P/CIR/2023/4 dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 have permitted the Companies to hold their Annual General Meeting (“AGM”) through video conferencing / any other audio visual means (“VC facility”) without the physical presence of the members at a common venue.
- iii) In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”) and MCA Circulars and the SEBI Circulars, the 9th AGM of the Company is being held through VC facility. The Registered Office of the Company shall be deemed to be the venue for the AGM in accordance with SS-2 issued by ICSI read with Clarification / Guidance on applicability of Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) dated April 15, 2020.

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 and SEBI Circulars through VC / OAVM facility, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the 9th AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporate are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

- iv) 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 Purva Shareregistry (India) Private Limited (Purva) 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 during the AGM will be provided by Purva Shareregistry (India) Pvt. Ltd.
- v) The Board of Directors have appointed **M/s S P K G & Co. LLP**, Practicing Chartered Accountant, (Membership No.:178942) Mumbai as the Scrutinizer to scrutinize the remote e-voting and e-voting at AGM in a fair and transparent manner.
- vi) 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 Chairperson 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.

- vii) Corporate/ Institutional Members (i.e. other than individuals, HUF, NRI etc.) intending to appoint their authorized representatives pursuant to Section 113 of the Act, to attend the 8th AGM through VC/OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution / Authority Letter / etc. (PDF/JPG format) to the Scrutinizer by e-mail at ashutosh.somani@spkg.co.in with a copy marked to compliance@cteil.com. They can also upload their Board Resolution / Authority Letter etc. by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.
- viii) The attendance of the Members attending the AGM through VC/OAVM shall be reckoned for the purpose of quorum for the AGM as per the applicable Circulars.
- ix) In compliance with the MCA Circulars, the Notice of the AGM along with Annual Report for FY 2023-24 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depository Participants (DPs)/ Registrar & Transfer Agent (RTA) support@purvashare.com. The Company shall send a physical copy of the Annual Report to those Members who request for the same at compliance@cml.net.in mentioning their Folio No./DP ID and Client ID. The Notice convening the 9th AGM and the Annual Report 2024-25 have been uploaded on the website of the Company at www.cml.net.in and may also be accessed from the relevant section on the website of the Stock Exchange, i.e. BSE Limited at www.bseindia.com. The Notice of the AGM is also available on the website of Purva Sharegistry (India) Pvt. Ltd at <https://evoting.purvashare.com/>.
- x) The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on 22nd September, 2025 being Cut-off Date.
- xi) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 29, 2025. Members seeking to inspect such documents can send an email to compliance@cml.net.in.
- xii) Further, SEBI vide its circular dated 3rd November, 2021, read with clarification dated 14th December, 2021 introduced common and simplified norms for processing investor’s service request by Registrar and Transfer Agent(s) (RTAs) and norms for furnishing PAN, KYC details and Nomination. Accordingly, effective 1st January, 2022, the RTA shall not process any service requests or complaints received from the holder(s) / claimant(s), till PAN, KYC and Nomination documents/details are updated. On or after 1st April, 2023, in case of any of the above cited documents/details are not available in the folios, RTA shall be constrained to freeze such folios. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing the aforesaid details. This communication was also intimated to the Stock Exchanges and available on the website of the Company. In view of this requirement and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to update their KYC details (through Form ISR-1, Form ISR-2 and Form ISR-3, as applicable) and consider converting their holdings to dematerialized form. Members can download Forms to make their service request with RTA from link <https://www.purvashare.com> or contact the Company’s RTA 022 - 23016761 (‘Registrar’) at (email of RTA) support@purvashare.com for assistance in this regard.

As per the provisions of the Act and applicable SEBI Circular, Members holding shares in physical form may file nomination in the prescribed Form SH-13 or make changes to their nomination details through Form SH-14 and Form ISR-3. In respect of shares held in dematerialized form, the nomination form may be filed with the respective DPs. The relevant forms are available on the company website at www.cml.net.in

- xiii) Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, PAN, registration of nomination, Power of Attorney registration, Bank Mandate details, etc. to their DPs in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, quoting their folio no. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.
- xiv) To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any joint holder / Member as soon as possible. Members are also advised to periodically obtain / request their DP for statement of their shareholding and the same be verified from time to time.
- xv) In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

THE INSTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

- (i) The voting period begins on September 26, 2025 at 09:00 AM and ends on September 28, 2025 at 05:00 PM. During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 22, 2025 may cast their vote electronically. The e-voting module shall be disabled by Purva for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

| Type of shareholders | Login Method |
|---|--|
| Individual Shareholders holding securities in Demat mode with CDSL | <p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/ Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME/PURVA, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p> |
| Individual Shareholders holding securities in demat mode with NSDL | <p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” “Portal” or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting</p> |

| | |
|--|---|
| | <p>service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>4) Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</p> <div><p>NSDL Mobile App is available on</p><div> App Store</div><div> Google Play</div></div> <div></div> <div></div> |
|--|---|

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

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

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

(v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

1) The shareholders should log on to the e-voting website <https://evoting.purvashare.com>.

- 2) Click on “Shareholder/Member” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) If you are holding shares in demat form and had logged on to www.evotingindia.com or www.evoting.nsdl.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 5) If you are a first-time user follow the steps given below:

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

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVENT NO. for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO/ABSTAIN” for voting. Select the option YES or NO or ABSTAIN as desired. The option YES implies that you assent to the Resolution, option NO implies that you dissent to the Resolution and option ABSTAIN implies that you are not voting either for or against the Resolution.
- (xi) Click on the “NOTICE FILE LINK” if you wish to view the Notice.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) **Facility for Non – Individual Shareholders and Custodians – Remote Voting**

- **Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://evoting.purvashare.com> and register themselves in the “Custodians / Mutual Fund” module.**
- **A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to evoting@purvashare.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.**
- **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; compliance@cml.net.in, if they have voted from individual tab & not uploaded same in the Purva e-voting system for the scrutinizer to verify the same.**

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is the same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend the meeting will be available where the EVENT NO. of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7(Seven) days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at compliance@cml.net.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7(Seven) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at compliance@cml.net.in. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE ACT

Item No. 3:

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Mr. Rishabh Singhavi (DIN: 10156386), as an Additional Director (in the capacity of Independent Director) of the Company, with effect from September 02, 2025 pursuant to Sections 149, 150 and 152 of the Act and provisions of the Articles of Association of the Company.

Pursuant to Regulation 17(1C) of Listing Regulations, Mr. Rishabh Singhavi shall hold office upto the date of ensuing Annual General Meeting or for a period of three months from the date of appointment, whichever is earlier. Mr. Singhavi is eligible to be appointed as an Independent Director of the Company for a term of five consecutive years. The Company has received a declaration from Mr. Singhavi that he meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and is eligible for appointment under the provisions of the Act, the Rules made thereunder and the Listing Regulations. In terms of Regulation 25(8) of the Listing Regulations, he has also confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director without any external influence. Further, he is neither disqualified from being appointed as a Director in terms of Section 164(2) of the Act, nor debarred from holding the office of a director by virtue of any SEBI order or any other such authority.

Brief profile of Mr. Rishabh Singhavi is as follows:

Rishabh Singhavi is an experienced IT professional with 10+ years in IT hardware distribution. He specializes in channel management, business development, and supply chain optimization, with deep knowledge of servers, networking, and enterprise hardware solutions. Known for building strong vendor and reseller relationships, driving sales growth, and ensuring seamless product availability, Rishabh combines technical expertise with business insight to deliver consistent results.

The skills and expertise possessed by Mr. Singhavi are as under:

Channel Management, Business Development and Supply Chain Optimization. In the opinion of the Board, Mr. Rishabh Singhavi fulfils the conditions as set out in Section 149(6) and Schedule IV of the Act and Listing Regulations and is thereby eligible for appointment as an Independent Director. The Board firmly believes that Mr. Rishabh Singhavi's deep understanding of the Business and analytical skills will prove valuable for the Company.

The requisite details and information pursuant to Regulation 36(3) of the Listing Regulations, the Act and Secretarial Standards, as on the date of Notice, are provided in Annexure to this Notice. A copy of the draft Letter of Appointment for Independent Directors is available for inspection as per the procedure of inspection details provided in note no xi of this Notice. The remuneration, if any payable to Mr. Singhavi shall be governed by the Nomination and Remuneration Policy.

None of the Directors or Key Managerial Personnel of the Company or their relatives are deemed to be concerned or interested financially or otherwise in the above proposal.

The Board recommends the Resolution set out at Item No. 3 of the Notice for approval of the Members by way special resolution.

Item No. 4:

The Board of Directors, at its Meeting held on 11th August, 2025, pursuant to the provisions of Section 204 read with rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014, and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, including any amendments, statutory modifications thereto, recommend the appointment of M/s. N. L. Bhatia & Associates as the Secretarial Auditor of the Company for the financial year 2025-26 to conduct Secretarial Audit of the Company, on such remuneration as may be mutually agreed upon between the Board of Directors and the Secretarial Auditors.

M/s. N. L. Bhatia & Associates, founded in the year 1996 by CS Mr. Navnit Lal Bhatia, is a reputed firm of Practicing Company Secretaries with 30 years of experience and over 60 years of collective expertise among its partners. The firm has a diverse clientele across several industries including financial services manufacturing, IT, e-commerce, healthcare, and more. The firm has demonstrated in-depth experience in Secretarial Audit, Corporate Governance, Regulatory Compliance, and related areas, and has previously conducted Secretarial Audit for the Company till the last financial year 2024-25.

M/s. N. L. Bhatia & Associates is Secretarial Audit firm, and the Company has received written consent from M/s. N. L. Bhatia & Associates, and they have confirmed that they hold a valid certificate issued by the Institute of Company Secretaries of India (ICSI), a brief profile of which has been specified in annexure II of this notice.

None of the Directors and Key Managerial Personnel (KMPs) of the Company and their relatives, are concerned or interested, financially or otherwise, in the Resolution set out at Item No 4.

The Board recommends the Resolution set out at Item No. 4 of the Notice for approval of the Members by way ordinary resolution.

Item No. 5:

In order to make optimum use of funds available with the Company and also to achieve long term strategic and business objectives, the Board of Directors of the Company proposes to make use of the same by making investment in other bodies corporate or granting loans, giving guarantee or providing security to other persons or other body corporate as and when required.

Members may note that pursuant to Section 186 of the Companies Act, 2013 ("Act"), the Company can give loan or give any guarantee or provide security in connection with a loan to any other body corporate or person and acquire securities of any other body corporate, in excess of 60% of its paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is more, with approval of Members by special resolution passed at the general meeting.

In view of the aforesaid, it is proposed to take approval under Section 186 of the Companies Act, 2013, by way of special resolution, up to a limit of Rs. 12 Crores (Rupees Twelve Crores), as proposed in the Notice.

The above proposal is in the interest of the Company and none of the Directors or Key Managerial Personnel of the Company or their relatives are in anyway, concerned or interested in the said resolution.

The Board recommends the Resolution as set out at Item No. 5 for approval by the members of the Company.

Item No. 6

The Company may give loans, Guarantee or Securities to or on behalf of other companies where the Directors of the Company hold substantial interest/ Control to support the business requirements of such Companies from time to time. The Company with the approval of members by way of special resolution, would be in a position to provide financial assistance by way of loan to such other entities or give guarantee or provide security in respect of loans taken by such entities, for their principal business activities.

The members may note that Board of Directors would carefully evaluate proposals and provide such loan, guarantee or security proposals through deployment of funds out of internal resources / accruals and / or any other appropriate sources, from time to time, only for principal business activities of the entities in the group.

Hence, in order to enable the Company to give loan to other entities in the group in which Directors of the Company are interested directly or indirectly under section 185 of the Companies Act, 2013, requires approval of members by a Special Resolution.

All the Directors of the Company except the Independent Directors are concerned or interested in the aforesaid resolution, financially or otherwise in the said resolution.

The Board of Directors of the Company recommend the Special Resolution as set out at item no. 5

Item No. 7

Pursuant to Regulation 23 and other applicable provisions of the SEBI Listing Regulations, it is required to obtain prior approval of the members by means of an ordinary resolution for all material related party transactions and subsequent material modifications, notwithstanding, such transactions are in the ordinary course of business of the concerned company and at an arm’s length basis.

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

Details of the proposed transactions with Candour Tectex Limited, one of the Related party are as follows:

| | |
|---|---|
| Name of the Related Party | Candour Tectex Limited |
| Nature of Relationship | Company in which directors are interested |
| Types/ Particulars of the transactions | i. Purchase and sale of raw material and finished goods. ii. providing of loans/ issuance of guarantee and security iii. any other contracts/ arrangements or transactions including but not limited to reimbursement of expenses |
| Nature, material terms, value of the proposed transaction and particulars of contract/arrangement | Transactions are in the normal course of business. Monetary value of RPTs for sale/purchase of raw material between the Company and Candour Tectex Limited shall not exceed Rs. 10 Crore(Rupees Ten Crore) Monetary value of RPTs for providing of loans and guarantees or securities to Candour Tectex Limited shall not exceed Rs. 10 Crore (Rupees Ten Crore) In FY 2025-26, aggregate net value of Material RPTs amongst the Company and Candour Tectex Limited shall not exceed Rs. 40 Crore (Rupees Forty Crore) |
| Tenure of the transaction | One Year i.e. FY 2025-26 |
| Name of the director or key managerial personnel who is related, if any, | None of the Directors or Key Managerial Personnel of the Company except Mr. Jayesh Ramniklal Mehta and Mrs. Amita |

| | |
|---|--|
| | Jayesh Mehta (Directors) are interested in or beneficiaries of these transactions. |
| Justification of the proposed transaction | <p>a) As the both the Companies operate in similar lines of business, the company may engage in the purchase and sale of raw materials, machinery, and other related items with Candour Techtex Limited.</p> <p>b) The company may extend loans to Candour Techtex Limited, as well as provide guarantees and security for loans obtained by Candour Techtex Limited. The company may earn interest income from the loans it provides to Candour Techtex Limited</p> <p>c) This may include, but is not limited to, the reimbursement of expenses and fees for providing guarantees or security to Candour Techtex Limited</p> |

In the FY 2025-26 the aforementioned transactions, in the aggregate, are expected to cross the applicable materiality thresholds as mentioned above. Accordingly, as per the SEBI Listing Regulations, prior approval of the members is sought for all such contracts/ arrangements/ transactions to be undertaken (whether individually or taken together or series of transactions or otherwise), whether by way of continuation/ extension/ renewal/ modification of earlier arrangements/ transactions or as fresh and independent transaction(s) or otherwise, in the FY 2025-26.

The above transactions are in the ordinary course of business of the Company and on an arm’s length basis and therefore are exempt from the provisions of Section 188(1) of the Act, and the rules made thereunder, however, for abundant caution, approval of members under the said Section 188 and rules thereunder is also being sought.

In view of the above, the Company proposes to obtain prior approval of the members for granting authority to the Board of the Company (which shall be deemed to include any Committee(s) constituted/ empowered/ to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to carryout/ continue with such arrangements and transactions as specified in the resolution or as mentioned above (whether individually or taken together or series of transactions or otherwise) with Candour Techtex Limited being a related party, whether by way of renewal(s) or extension(s) or modification(s) of earlier arrangements/ transactions or as fresh and independent transaction(s) or otherwise notwithstanding the fact that all such transactions entered into during the FY 2025-26 whether individually or in aggregate may exceed materiality threshold as stated above.

In terms of Regulation 23(3) of the SEBI Listing Regulations, the Audit Committee in its meeting held on August 11, 2025, has granted its omnibus approval for the related party transactions proposed to be entered into by the Company with Candour Techtex Limited during the FY 2025-26, as stated in the resolution and explanatory statement. The Audit Committee has further noted that the said transactions with Candour Techtex Limited are on arm’s length basis and in the ordinary course of the business of the Company. The management has provided the Audit Committee with a description of the transactions including material terms and basis of pricing.

Accordingly, the Board recommends passing of the ordinary resolution contained in the Item No. 6 of this Notice.

Mr. Jayesh R Mehta and Mrs. Amita Jayesh Mehta being substantial shareholders of Candour Techtex Limited are deemed to be interested in the Resolution. None of the other Directors, Key Managerial Personnel and their relatives are concerned or interested in the above resolution.

Members may please note that in terms of the provisions of the SEBI Listing Regulations, related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote on the resolution under item no. 6 of this Notice.

ANNEXURE - I

Details of Directors seeking re-appointment at the Annual General Meeting (Pursuant to Regulation 36(3) of the Listing Regulations) and SS-2 Secretarial Standard on General Meetings seeking re-appointment at ensuing 8th Annual General Meeting.

| Sr. No. | Particulars | Details |
|---------|---|---|
| 1. | Name of the Director | Amita Jayesh Mehta |
| 2. | Age | 61 |
| 3. | DIN | 00193075 |
| 4. | Date of Birth | 01/11/1963 |
| 5. | Date if first appointment on the Board | 12/04/2016 |
| 6. | Qualifications | Commerce Graduate |
| 7. | Expertise | Mrs. Amita Jayesh Mehta deals with the sourcing of Materials. |
| 8. | Other Directorships | a. Candour Techtex Limited b. JR Auto Components Private Limited c. KJM Engineering Tools Private Limited |
| d. | Number of meetings of the Board attended during the year | 5 |
| e. | Listed companies (other than Chandni Machines Limited) in which she holds directorship and committee membership* *includes only Audit Committee & Stakeholders' Relationship Committee | Candour Techtex Limited |
| f. | Shareholding in Chandni Machines Limited | 5,51,925 |
| g. | Relationship between directors inter-se | Mrs. Amita Jayesh Mehta is the spouse of Mr. Jayesh Ramniklal Mehta. |

ANNEXURE - II

Appointment of M/s. N.L. Bhatia & Associates, Practicing Company Secretaries, as Secretarial Auditors of the Company.

| Sr.no | Particular | Information |
|-------|--|---|
| 1 | Reason for change viz. appointment, re-appointment, resignation, removal, death or otherwise | The Board of Directors have approved the appointment of M/s N.L Bhatia & Associates, Practicing Company Secretaries (Firm Registration No: P1996MH055800) as the Secretarial Auditor of the Company. |
| 2 | Date of Appointment and term of appointment | The Board, at its Meeting held on 11 August 2025, approved the appointment of M/s. N.L Bhatia & Associates, Practicing Company Secretaries as the Secretarial Auditor of the Company for the Financial Year 2025-26, subject to approval of the Shareholders at the ensuing AGM. |
| 3 | Brief Profile | <p>M/s. N. L. Bhatia & Associates, one of the oldest Practicing Company Secretaries (PCS) firm, founded in the year 1996 by Founder Partner CS N.L. Bhatia, senior most Company Secretary in practice since 1982. The Firm provides services to the corporate world in the matter of Corporate Laws and Compliances. The firm is having wide experience across various industries and knowledge of Secretarial Audit, Corporate Governance, Corporate Compliance Management, Securities related laws and regulations, new business formations, Corporate Restructuring and Corporate Affairs.</p> <p>Address- 507, Skyline Wealth Space, 5th Floor, C-2 wing, Skyline Oasis Complex, Premier Road, Near Vidyavihar Station, Ghatkopar (W), Mumbai 400086, Maharashtra, India.</p> |
| 4 | Disclosure of relationships between directors | Not Applicable |

DIRECTOR’S REPORT

To
The Members
Chandni Machines Limited,

Your Directors have pleasure in presenting the 9th Annual Report together with Audited Financial Statements for the year ended 31st March, 2025 of CHANDNI MACHINES LIMITED. The Financial Results of the Company have been summarized and given below:

1. FINANCIAL SUMMARY/ PERFORMANCE OF THE COMPANY:

(In Rupees)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|--------------------|--------------------|
| Revenue from Operations | 2,00,98,62,081 | 165,92,70,966 |
| Other Income | 1,82,14,978 | 87,04,224 |
| Total Revenue | 2,02,80,77,059 | 166,79,75,190 |
| Profit before Depreciation, Interest and Tax (PBDIT) | 2,32,83,133 | 2,80,30,469 |
| Less: Depreciation | 23,07,079 | 38,23,930 |
| Less: Finance Cost | 2,30,557 | 4,13,394 |
| Profit Before Tax | 2,07,45,497 | 2,37,93,145 |
| Provision for Tax: | | |
| Current Tax | 8,023,444 | 71,37,647 |
| Deferred tax | (15,49,362) | (6,39,027) |
| Profit/(Loss) After Tax | 1,42,71,416 | 1,72,94,525 |
| Balance brought forward from previous year | 5,15,64,298 | 3,42,69,773 |
| Balance carried to Balance sheet | 6,58,35,714 | 5,15,64,298 |

2. REVIEW OF OPERATIONS:

Turnover of the Company has Increased to Rs. 2,00,98,62,081/- in the Current Year as compared to Rs. 165,92,70,966/- in the Previous Year.

The Profit before tax has decreased to Rs. 2,07,45,497/- in the Current Year as compared to Rs. 2,37,93,145/- in the Previous Year.

The Net Profit after tax has decreased to Rs. 1,42,71,416/- in the Current Year as compared to Rs. 1,72,94,525/- in the Previous Year.

3. DIVIDEND:

The Board of Directors ("Board") after assessing the performance, capital position, solvency and liquidity levels of the Company and in order to conserve the resources of Company, your Directors do not recommend any dividend.

The Company has formulated a Dividend Distribution Policy which has been approved by the Board. In terms of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') the Dividend Distribution Policy is hosted on the website of the Company at www.cml.net.in.

4. TRANSFER TO RESERVES:

The Company had profits of Rs. 1,42,71,416 /- as at March 31, 2025. An amount of Rs. 1,42,71,416 /- is proposed to be retained in the Profit & Loss Account.

5. CHANGE IN NATURE OF BUSINESS, IF ANY:

During the financial year, there has been no change in the business of the Company or in the nature of business carried by the Company during the financial year under review.

6. MATERIAL CHANGES AND COMMITMENTS:

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which financial statement relate and the date of the Report.

7. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

As on 31st March, 2025 your Company does not have any Subsidiary, Associate or Joint Venture Companies.

8. SIGNIFICANT / MATERIAL ORDERS PASSED BY THE REGULATORS/ COURTS:

There are no significant and material orders passed by the Regulators/ Courts that would impact the going concern status and the Company’s operation in future.

9. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

| Sr. No. | Name of Director | Designation | Appointment Date | Resignation Date |
|---------|----------------------------|--|------------------|------------------|
| 1. | Mr. Jayesh Ramniklal Mehta | Chairperson & Managing Director | 12.04.2016 | - |
| 2. | Mr. Bharat Sugnomal Bhatia | Non- Executive & Independent Director | 20.09.2018 | 08.07.2025 |
| 3. | Mr. Rameshchand Garg | Non- Executive & Independent Director | 20.09.2018 | - |
| 4. | Mr. Richie Hiralal Amin | Non- Executive & Independent Director | 08.11.2021 | - |
| 5. | Mrs. Amita Jayesh Mehta | Non- Executive Director | 12.04.2016 | - |
| 6. | Mr. Bharat Keshavlal Shah | Director & Chief Financial Officer | 07.02.2018 | 06.08.2024 |
| 7. | Ms. Neelam Devani | Company Secretary and Compliance Officer | 01.12.2021 | 19.12.2024 |

10. DECLARATION BY INDEPENDENT DIRECTORS:

All Independent Directors have given declaration of compliance of Rule - 6(1) & (2) of Companies (Appointment and Qualifications of Directors) Rules, 2014 as amended along with the declaration that they meet the Criteria of Independence as laid down under Section - 149(6) of the Companies Act, 2013.

The Company convened Independent Director's Separate Meeting in terms of Schedule - IV to the Companies Act, 2013 on January 30, 2025.

11. MEETINGS OF THE BOARD OF DIRECTORS:

The Board of Directors duly met Five (5) times during the financial year from 01st April, 2024 to 31st March, 2025. The dates on which meetings were held are 29th May 2024, 08th August 2024, 04th November 2024, 11th November 2024 and 30th January 2025. All the Members were present in the Meeting.

The gap between two Board Meetings didn't exceed 120 days as per Section - 173 of the Companies Act, 2013.

12. ATTENDANCE OF DIRECTORS:

Attendance of Directors at the Board Meetings held during the financial year ended 31st March, 2025 and at last AGM are as under:

| Name of Director | Category | Number of Board Meetings | | Attendance at the last AGM |
|----------------------------|---|--------------------------|----------|----------------------------|
| | | Held | Attended | Held on 30/09/2024 |
| Mr. Jayesh Ramniklal Mehta | Managing Director | 5 | 5 | Yes |
| Mrs. Amita Jayesh Mehta | Non- Executive Director | 5 | 5 | Yes |
| Mr. Bharat Keshavlal Shah | Chief Financial Officer, Executive Director | 1 | 1 | No |
| Mr. Bharat Sugnomal Bhatia | Non-Executive, Independent | 5 | 5 | Yes |
| Mr. Rameshchand Garg | Non-Executive, Independent | 5 | 5 | Yes |
| Mr. Richie Hiralal Amin | Non-Executive, Independent | 5 | 5 | Yes |

13. COMMITTEES:

Your Company has duly constituted the following mandatory Committees in terms of the provisions of the Companies Act, 2013 read with rules framed thereunder viz.:

● **Audit Committee:**

The Composition of Audit Committee is in alignment with provision of Section-177 of the Companies Act, 2013 read with the rules issued thereunder and Regulation-18 of the SEBI Listing Regulations. The members of the Audit Committee are financially literate and have experience in financial management.

The Composition of Audit Committee is as under:

| Name of the Director | Designation | Designation in the Committee |
|----------------------------|------------------------------------|------------------------------|
| Mr. Bharat Sugnomal Bhatia | Non Executive Independent Director | Chairperson |
| Mr. Rameshchand Garg | Non Executive Independent Director | Member |
| Mr. Jayesh Ramniklal Mehta | Managing Director | Member |
| Mr. Richie Hiralal Amin | Non Executive Independent Director | Member |

During the year Four (4) meetings of Audit Committee was held on 29th May 2024, 08th August 2024, , 11th November 2024 and 30th January 2025. Attendance of Directors at the Audit Committee Meetings held during the financial year ended 31st March, 2025 are as under:

| Name of Director | Audit Committee Meeting | |
|----------------------------|-------------------------|----------|
| | Held | Attended |
| Mr. Jayesh Ramniklal Mehta | 4 | 4 |
| Mr. Bharat Sugnomal Bhatia | 4 | 4 |
| Mr. Rameshchand Garg | 4 | 4 |
| Mr. Richie Hiralal Amin | 4 | 4 |

The Board accepted the recommendations of the Audit Committee whenever made by the Committee during the year.

● **Nomination and Remuneration Committee:**

The Composition of Nomination & Remuneration Committee is as under:

| Name of the Director | Designation | Designation in the Committee |
|----------------------------|------------------------------------|------------------------------|
| Mr. Bharat Sugnomal Bhatia | Non Executive Independent Director | Chairperson |
| Mr. Rameshchand Garg | Non Executive Independent Director | Member |
| Mr. Jayesh Ramniklal Mehta | Managing Director | Member |
| Mrs. Mansi Harsh Dave | - | Member |

During the year Two (2) meetings of Nomination and Remuneration Committee was held on 18th June 2024 and 19th July 2024. Attendance of Directors at the Nomination and Remuneration Committee Meetings held during the financial year ended 31st March, 2025 is as under:

| Name of Director | Nomination & Remuneration Committee Meeting | |
|----------------------------|---|----------|
| | Held | Attended |
| Mr. Jayesh Ramniklal Mehta | 2 | 2 |
| Mr. Bharat Sugnomal Bhatia | 2 | 2 |
| Mr. Rameshchand Garg | 2 | 2 |
| Mr. Richie Hiralal Amin | 2 | 2 |

The Board accepted the recommendations of the Nomination and Remuneration Committee whenever made by the Committee during the year.

● **Stakeholders' Relationship Committee:**

The Composition of Stakeholder Relationship Committee is as under:

| Name of the Director | Designation | Designation in the Committee |
|----------------------------|------------------------------------|------------------------------|
| Mr. Rameshchand Garg | Non Executive Independent Director | Chairperson |
| Mr. Bharat Sugnomal Bhatia | Non Executive Independent Director | Member |
| Mr. Jayesh Ramniklal Mehta | Managing Director | Member |
| Mr. Richie Hiralal Amin | Non Executive Independent Director | Member |

During the year Two (2) Meetings of Stakeholder Relationship Committee was held on 19th June 2024 and 20th July 2024 Attendance of Directors at the Stakeholders Relationship Committee Meetings held during the financial year ended 31st March, 2025 is as under:

| Name of Director | Stakeholder Relationship Committee | |
|----------------------------|------------------------------------|----------|
| | Held | Attended |
| Mr. Jayesh Ramniklal Mehta | 2 | 2 |
| Mr. Bharat Sugnomal Bhatia | 2 | 2 |
| Mr. Rameshchand Garg | 2 | 2 |
| Mr. Richie Hiralal Amin | 2 | 2 |

The Board accepted the recommendations of the Stakeholder Relationship Committee whenever made by the Committee during the year.

14. POLICY ON DIRECTORS’ APPOINTMENT AND REMUNERATION:

The Company has been following a policy with respect to appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel. The appointment of Directors on the Board is subject to the recommendation of the Nomination and Remuneration Committee (NRC). Based on the recommendation of the NRC, the remuneration of Executive Director is fixed in accordance with the provisions of the Company’s Act, 2013 which comprises of Basic Salary, Perquisites, Allowances and Commission. The Remuneration of Non-Executive Directors comprises of sitting fees in accordance with the provisions Companies Act, 2013.

The criteria for appointment of Board of Directors and Remuneration Policy of your Company are placed on the website of the Company <http://www.cml.net.in>

15. FAMILIARIZATION PROGRAMME:

The details of programs for familiarization of Independent Directors with the Company, their roles, responsibilities, in the Company and related matters are put up on the website of the Company at the link: <http://www.cml.net.in>

16. BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013, the Nomination and Remuneration Committee formulated the criteria for evaluation of the performance of the Board of Directors, its various Committees constituted as per the provisions of the Companies Act, 2013 and Individual Directors. Based on that, the Board of Directors carried out an Annual Evaluation of its own performance and of its various Committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee expressed their satisfaction with its performance and performance of its committees. The Board of Directors also evaluated the performance of individual Director on the basis of self-appraisal and expressed their satisfactory performance. The Board of Directors also carried out an annual performance evaluation of its Independent Directors and expressed their satisfaction with their functioning / performance.

17. PARTICULARS OF EMPLOYEES:

The statement of particulars of Appointment and Remuneration of managerial personnel pursuant to Section - 197(12) of the Companies Act, 2013 read with Rule - 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the “Annexure – II”.

Pursuant to Rule - 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, none of the employees of the Company was in receipt of the remuneration during the financial year 2024-2025, which in aggregate was in excess of Rs. 1.02 Crore per year or Rs. 8.5 lakhs per month or in excess of remuneration drawn by the Managing Director or Whole-Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

18. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has a proper and adequate system of Internal Controls. This ensures that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorised, recorded and reported correctly. An extensive programme of Internal Audits and Management reviews supplements the process of internal control. Properly documented policies, guidelines and procedures are laid down for this purpose. The Internal Control System has been designed to ensure that the financial and other records are reliable for preparing financial and other statements and for maintaining accountability of assets. The Company has in placed adequate Internal Financial Controls with reference to Financial Statements.

In accordance with Rule - 8(5) (viii) of Companies (Accounts) Rules, 2014, it is hereby confirmed that the Internal Financial Controls are adequate with reference to the Financial Statements.

19. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section - 134(5) of the Companies Act, 2013 the Directors to the best of their knowledge hereby state and confirm that:

- In the preparation of the Annual Accounts for the financial year ended 31st March, 2025, the applicable accounting standards have been followed and there are no material departures.
- 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 31st March, 2025 and of its profit for the year.
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Directors have prepared the annual accounts on a going concern basis.
- The Directors have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and were operating effectively, and;
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. PUBLIC DEPOSITS:

The Company has not accepted any Public Deposits within the meaning of Section - 73 to 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review and there are no outstanding deposits which are pending for repayment.

21. LOAN FROM DIRECTOR:

During the year under review, your Company has not received any loan from any Directors of the Company.

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The particulars of Loans, Guarantees, and Investments have been disclosed in the Financial Statements read together with Notes annexed to and forming an integral part of the Financial Statements.

23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All Related Party Transactions are entered on Arm’s Length Basis and in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015. The disclosure of Related Party Transactions as required under Section - 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is given in “Annexure – III” of this Report.

The details of transactions with Related Parties are also provided in the Company’s Financial Statements in accordance with the Accounting Standards.

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the Company’s website and can be seen at the link: www.cml.net.in

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

Since the company is involved in Trading of machinery, the provisions of conservation of energy and technology absorptions are not applicable to the company.

During the year under review your company has following Foreign Exchange Earnings and Outgo:

| Particulars | F. Y.2024-2025 | F.Y. 2023-2024 |
|---------------------------|----------------|----------------|
| Foreign Exchange Earnings | NIL | NIL |
| Foreign Exchange Outgo | 2,08,980/- | 6,52,293/- |

25. RISK MANAGEMENT:

The Company has a Risk Management framework for identification, assessment and mitigation of risks. This framework essentially creates transparency and minimizes the risk and adverse impact on the business objectives and enhances the Company’s competitive edge. This frame work consists of various risk models helping in identifying risk, risk trends, exposure and potential influence analysis is separately for various business segments and at various levels of the Company.

Based on the operations of the Company new risks, if any, are identified, appropriate steps are taken to mitigate them. Our internal control encompasses various management system, structures of organisation, standard and code of conduct which all put together help in managing the risks associated with the Company.

26. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

In pursuant to the provisions of Section - 177 (9) & (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and Employees to report genuine concerns has been established. The Vigil Mechanism / Whistle Blower Policy is available on the website of the Company: <http://www.cml.net.in>

27. CORPORATE SOCIAL RESPONSIBILITY:

Your Company does not fall in the ambit of limit as specified in Section 135 of the Companies Act, 2013, read with Rule framed there under in respect of Corporate Social Responsibility.

28. STATUTORY AUDITOR AND STATUTORY AUDITOR'S REPORT:

The Statutory Auditor of the Company were re-appointed at the 6th Annual General Meeting held on September 29, 2022, to hold the office for a period of five years till the conclusion of the 11th Annual General Meeting to be held in the year 2027, in terms of the applicable provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules 2014.

The Auditors' Report on Standalone Financial Statements for the financial year 2024-2025, issued by M/s. Ambavat Jain & Associates LLP, Chartered Accountants, does not contain any qualification, observation, disclaimer, reservation or adverse remark.

During the year under review, no instances of fraud were reported by the Statutory Auditors of the Company as per Section 142(12) of the Companies Act, 2013.

29. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section - 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. N L Bhatia & Associates, Practicing Company Secretaries to conduct the Secretarial Audit of the Company for the financial year 2024-2025. The Report is attached herewith as “Annexure – IV” to the Board's Report.

There are no qualifications, reservations, adverse remark or disclaimer in the Secretarial Audit Report.

During the year under review, no instances of fraud were reported by the Secretarial Auditors of the Company.

30. SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI):

Your Directors state that the applicable Secretarial Standards have been followed during the financial year 2024-2025.

31. ANNUAL RETURN:

The Annual Return for F.Y. 2024-2025 is available on the website of the Company at www.cml.net.in

32. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report for the financial year under review, as stipulated under Regulation - 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of this Annual Report as “Annexure – V”.

33. **CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING IN SECURITIES:**

During the year, Company has amended the Code of Conduct for Prevention of Insider Trading in Securities (“Code”) in accordance with SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018, which is effective from 01st April, 2019. The amended Code is uploaded on the website of the Company. The objective of the Code is to protect the interest of shareholders at large, to prevent misuse of any Unpublished Price Sensitive Information (UPSI) and to prevent any insider trading activity by dealing in shares of the Company by its Directors, Designated Persons and Employees.

Further the company has maintained structured digital database (SDD) under regulation 3(5) of SEBI (Prohibition of Insider Trading) Regulations, 2015 for capturing and maintain the trail of sharing UPSI of the company with the Designated Persons.

34. **CORPORATE GOVERNANCE:**

Pursuant to the Regulation - 15(2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the compliance with the Corporate Governance provisions shall not apply to listed entities having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding Rupees Twenty Five Crore, as on the last day of the previous financial year. The Equity Share Capital of the company is less than Ten Crore and the net worth of the company is less than Twenty Five Crore, therefore the provisions pursuant to Regulation 15(2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is not Applicable to the company and is not required to make report Corporate Governance.

35. **DISCLOSURE IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:**

The Company has in place Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Company has provided a safe and dignified work environment for employee which is free of discrimination. The objective of this Policy is to provide Protection against Sexual Harassment of Women at Workplace and for Redressal of any such complaints of harassment.

Pursuant to requirements of Section - 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with Rules thereunder, it is hereby declared that the Company has not received any complaint of sexual harassment during the year under review.

The details of complaints related to sexual harassment are provided below:

| Sr. No. | Particulars | No. of complaints |
|---------|--|-------------------|
| 1) | Number of complaints filed during the financial year 2024-25 | NIL |
| 2) | Number of complaints disposed of during the financial year 2024-25 | NIL |
| 3) | Number of complaints pending for more than 90 days | NIL |

36. **MATERNITY BENEFIT ACT,1961**

The Company has complied with the provisions contained in the Maternity Benefit Act, 1961.

37. **INSIDER TRADING CODE:**

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time), the Company has formulated a Code of Practices and Procedures for Fair

Disclosure of Unpublished Price Sensitive Information ('Fair Disclosure Code') which are in force. The Fair Disclosure Code is available on the website of the Company at www.cml.net.in

38. LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid Annual Listing Fees for the year 2024-2025 to the Stock Exchanges i.e. The BSE Limited where the Company's shares are listed.

39. APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR:

The Company has neither filed any application nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the Financial Year 2024-25.

40. 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 OF FINANCIAL INSTITUTIONS ALONG WITH THE REASON THEREOF:

During the year under review, the company was not required to conduct any valuation.

41. OTHER DISCLOSURES

- The Company is in the business of Trading, therefore provisions of Cost records are not applicable to the Company.
- There is no application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the FY2024.
- There was no instance of one-time settlement with any Bank or Financial Institution.
- Disclosures with respect to demat suspense account/ unclaimed suspense account are not applicable to the Company.

42. CAUTIONARY STATEMENT:

Statements in Annual Report, including those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute 'forward looking statements' within the meaning of applicable Laws and Regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

43. ACKNOWLEDGEMENT:

Your Directors would like to express their appreciation for the assistance and co-operation received from the Company's Customers, Vendors, Bankers, Auditors, Investors, Government Authorities and Stock Exchange during the year under review. Your Directors place on record their appreciation of the contributions made by employee at all levels. Your Company's consistent growth was made possible by their hard work, solidarity, co-operation and support.

For and on behalf of Board of Directors

Date: 11-08-2025
Place: Mumbai

Sd/-
Jayesh Ramniklal Mehta
Managing Director
DIN: 00193029

Details of Directors seeking re-appointment at the Annual General Meeting (Pursuant to Regulation 36(3) of the Listing Regulations) and SS-2 Secretarial Standard on General Meetings seeking re-appointment at ensuing 8th Annual General Meeting.

| Sr. No. | Particulars | Details |
|---------|---|---|
| 9. | Name of the Director | Amita Jayesh Mehta |
| 10. | Age | 61 |
| 11. | DIN | 00193075 |
| 12. | Date of Birth | 01/11/1963 |
| 13. | Date if first appointment on the Board | 12/04/2016 |
| 14. | Qualifications | Commerce Graduate |
| 15. | Expertise | Mrs. Amita Jayesh Mehta deals with the sourcing of Materials. |
| 16. | Other Directorships | h. Candour Techtex Limited i. JR Auto Components Private Limited j. KJM Engineering Tools Private Limited |
| k. | Number of meetings of the Board attended during the year | 5 |
| l. | Listed companies (other than Chandni Machines Limited) in which she holds directorship and committee membership* *includes only Audit Committee & Stakeholders' Relationship Committee | Candour Techtex Limited |
| m. | Shareholding in Chandni Machines Limited | 5,51,925 |
| n. | Relationship between directors inter-se | Mrs. Amita Jayesh Mehta is the spouse of Mr. Jayesh Ramniklal Mehta. |

For and on behalf of Chandni Machines Limited

Date: 11-08-2025
Place: Mumbai

Sd/-
Jayesh Ramniklal Mehta
Managing Director
DIN: 00193029

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures in terms of Sub-Section 12 of Section - 197 of the Companies Act, 2013 read with Rule - 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the Financial Year ended 31st March, 2025.

| S. No. | Requirement | Disclosure | |
|--------|---|--|--|
| • | The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year. | Name of Director | Ratio |
| | | Mr. Jayesh Ramniklal Mehta | 1.70:1 |
| • | The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the financial year. | Name of Director/ CEO/CFO/CS | Percentage increase in their remuneration during the Financial Year ended 2025 |
| | | Mr. Jayesh R Mehta | Nil |
| | | Ms. Neelam Devani | Nil |
| • | The percentage increase in the median remuneration of employees in the Financial Year | Not Applicable | |
| • | Number of permanent employees on the rolls of Company at the end of Financial Year | 13 employees | |
| • | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration. | Not Applicable | |
| • | Affirmation that the remuneration is as per the Remuneration Policy of the Company. | It is affirmed that the remuneration paid is as per the Remuneration Policy of the Company | |

For and on behalf of Chandni Machines Limited

Date: 11-08-2025
Place: Mumbai

Sd/-
Jayesh Ramniklal Mehta
Managing Director
DIN: 00193029

Form No. AOC-2

(Pursuant to Clause (h) of Sub-Section (3) of Section - 134 of the Act and Rule - 8(2) of the Companies (Accounts) Rules, 2014)

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

(i) Details of contracts or arrangements or transactions not at arm’s length basis: NIL

There were no contracts or arrangements, or transactions entered into during the year ended 31st March, 2025, which were not at arm’s length basis.

(ii) Details of material contracts or arrangement or transactions at arm’s length basis:

| Name of the Related parties | Nature of contracts / arrangements / transactions | Duration of the contracts / arrangements / transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Amount paid as advances, if any |
|-----------------------------|---|---|--|---------------------------------|
| Candour Techtex Limited | Sale of Goods | 01-04-2024 to 31-03-2025 | Nil | N.A. |
| | Interest Received | 01-04-2024 to 31-03-2025 | 1,36,233 | |
| | Rent/Compensation Paid | 01-04-2024 to 31-03-2025 | 20,43,428 | |
| Mr. Jayesh Ramniklal Mehta | Remuneration paid to Managing Director | 01-04-2024 to 31-03-2025 | 5,40,000 | |
| Mrs. Amita Jayesh Mehta | Remuneration paid to Director | 01-04-2024 to 31-03-2025 | 13,20,000 | |
| Ms. Neelam Devani | Salary & Bonus | 01-04-2024 to 19-12-2025 | 1,29,194 | |

For and on behalf of Chandni Machines Limited

Date: 11-08-2025
Place: Mumbai

Sd/-
Jayesh Ramniklal Mehta
Managing Director
DIN: 00193029

To,
The Members,
Chandni Machines Limited

Our Report of even date is to be read along with this letter:

1. Maintenance of Secretarial Record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our Audit.
2. We have followed the auditing standards issued by the Institute of Company Secretaries of India (“ICSI”) and audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. We believe that the processes and practices, we have followed are aligned with Auditing Standards issued by the Institute of Company Secretaries of India (“ICSI”) provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
4. Wherever required we have obtained the Management Representation about the Compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and Other Applicable Laws, Rules, Regulations, Standard is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For M/S. N. L. Bhatia & Associates
Practising Company Secretaries
UIN: P1996MH055800
PR NO.: 6392/2025

SD/-

N L Bhatia
Partner
FCS:1176

Date: 11-08-2025
Place: Mumbai.

CP. NO.: 422
UDIN: F001176G000980055

FORM NO. MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 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,
Chandni Machines Limited**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good governance practices by “Chandni Machines Limited” having Corporate Identification Number (CIN) L74999MH2016PLC279940 (hereinafter called “the Company”). Secretarial Audit was conducted in conformity with the Auditing Standards issued by the Institute of Company Secretaries of India (“the Auditing Standards”) and the processes and practices followed during the conduct of Audit are aligned with the Auditing Standards to provide us a reasonable basis for evaluating the Corporate Conducts/ Statutory Compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns files 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 the Secretarial Audit, we hereby report that in our Opinion, the Company has, during the Audit period covering the Financial Year ended on March 31, 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.

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (“the Act”) and the Rules made thereunder including statutory amendments made thereto and modifications thereof for the time being in force.
- (ii) The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the Rules made thereunder.
- (iii) The Depositories Act, 1996 and the Regulation and Bye-Laws framed thereunder.
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”):-
 - 1. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
 - 2. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time.
 - 3. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
 - 4. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018; **Not Applicable during the financial year**
 - 5. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable during the financial year**

- 6. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable during the financial year**
- 7. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable during the financial year**
- 8. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable during the financial year**
- 9. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable during the financial year**

(vi) Other Applicable Laws as per Annexure-A.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI);
- (ii) Guidelines issued by MCA and SEBI relating to conducting the meeting via video conferencing and Other Audio-Visual means.

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. All the decisions at the Board Meetings were passed unanimously and with requisite majority in General Meeting

We further report that, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. All notices/ queries received from regulatory authorities have been replied in time.

For M/S. N. L. Bhatia & Associates
Practising Company Secretaries
UIN: P1996MH055800
PR NO.: 6392/2025

SD/-

N L Bhatia
Partner
FCS:1176

CP. NO.: 422

UDIN: F001176G000980055

Date: 11-08-2025
Place: Mumbai.

LIST OF APPLICABLE LAWS

- 1. Tax Laws:**
 - a. GST Act, 2017.
 - b. Income Tax Act, 1961.
- 2. Employee Laws:**
 - a. Payment of Gratuity Act, 1972 and Payment of Gratuity (Central) Rules, 1972.
 - b. The Payment of Bonus Act, 1965 and Payment of Bonus Rules, 1975.
 - c. The Payment of Wages Act, 1936.
 - d. The Minimum Wages Act 1948.
 - e. The Employees’ Provident Fund and Miscellaneous Provisions Act, 1952, and Scheme framed thereunder.
 - f. The Employees’ State Insurance Act 1948.
 - g. Factories Act, 1948 and rules made thereunder
 - h. Labour Welfare Fund Act.
- 3. Environment (Protection) Act, 1986**
- 4. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.**

Note: This is an indicative list and not an exhaustive list.

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

Injection Molding Machine Market Trends

The global plastic injection molding machine market was valued at USD 11.98 billion in 2024 and is projected to reach USD 14.78 billion by 2030, growing at 3.5% cagr from 2024 to 2030. The automotive industry accounts for a significant share of the market for plastic injection molding machines. Automotive manufacturing companies are replacing metal components with plastic components to minimize the total weight of vehicles, owing to the rising demand for light, fuel-efficient automobiles. Plastic injection molding machines are used to manufacture intricate, strong, and lightweight parts such as dashboards, bumpers, and interior trimmings. The installation of these parts is essential to meet the stringent standards on emissions and fuel efficiency. This is further enhanced by the fact that electric and hybrid cars usually utilize the most advanced plastic parts to reduce vehicle weight without compromising on strength and safety



Attractive Opportunities in the Plastic Injection Molding Machine Market

Asia Pacific

Market growth can be attributed to the strong industrial base in the region.

Rising demand from packaging industry is driving the global plastic injection molding machine market.

Asia Pacific is expected to be the largest market for plastic injection molding machines during the forecast period.

Mergers & acquisitions is expected to offer lucrative opportunities for market players in the next 5 years.

Market growth in the Asia Pacific can be attributed to growing industrialization and population in emerging economies

GLOBAL PLASTIC INJECTION MOLDING MACHINE MARKET DYNAMICS

DRIVER: Developments in the plastic injection molding technology

Developments in the plastic injection molding technology are expected to drive the plastic injection molding machine market. Recent developments in material science have paved the way for manufacturers to employ an increasing share of engineering plastics, such as recycled plastics, bio-based materials, and high-performance thermoplastics, which enable high-quality components to provide high strength, flexibility, and heat resistance. Advancements in multi-material injection molding techniques have also enabled companies to incorporate different qualities of materials in a single part. This is highly desirable in industries such as automobiles, consumer electronics, and medical devices, where utility aligns with esthetic appeal. Multi-material injection molding can produce durable parts, transparent parts, and soft-touch surfaces in the same product.

RESTRAINT: High initial maintenance costs

The growth of the plastic injection molding machine market is expected to be restrained by the high initial maintenance costs associated with these machines. High initial maintenance costs are attributed to factors such as the demand for professionals, availability of new parts, and organic wear and tear on equipment. Some of the common parts that may be substituted or repaired include actuators, hydraulic pumps, and electronic controls. Budgets are required to be provided for the purchase of these machines, along with frequent maintenance, which can significantly increase the costs of operation for manufacturers. High maintenance costs can also lead to additional downtime, resulting in a negative impact on output. Manufacturers, especially those with limited resources, find this cycle of rising costs and declining efficiency difficult to enable efficiently handling maintenance difficulties.

OPPORTUNITY: Rising demand for large-tonnage plastic injection molding machines

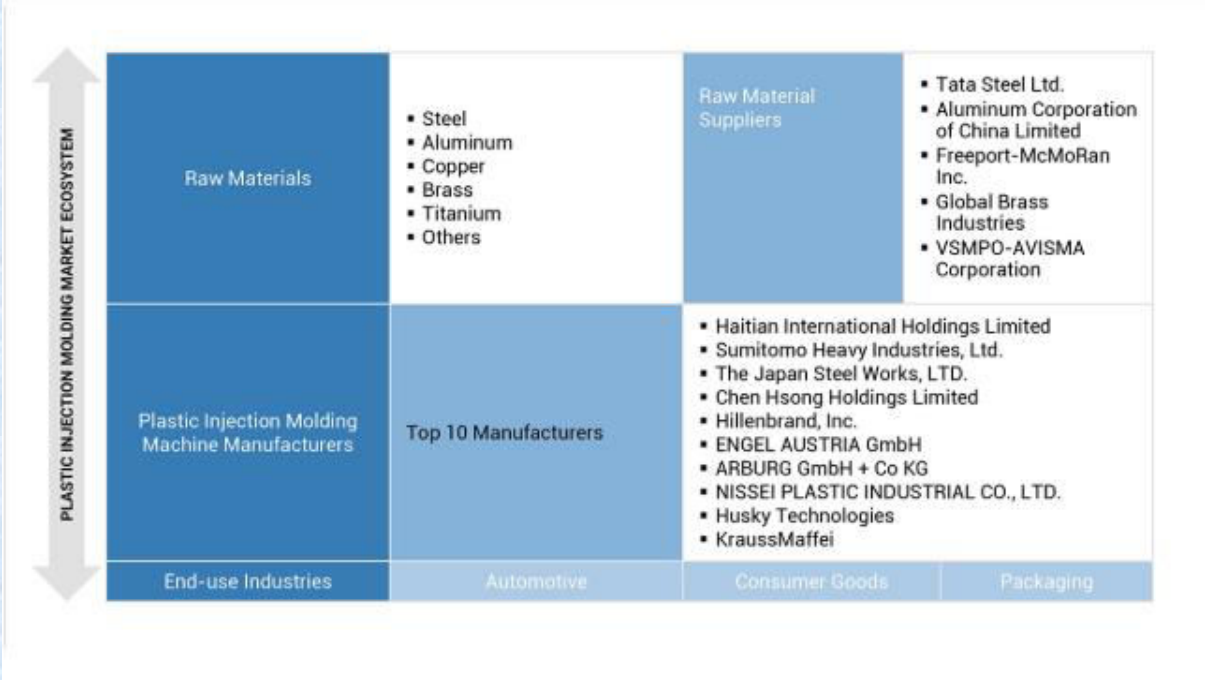
The rising demand for large-tonnage plastic injection molding machines is expected to create opportunities for growth for companies operating in the plastic injection molding machine market. Demand for large-tonnage machinery is largely driven by the automotive industry. As the complexity of cars increases, manufacturers need larger and stronger plastic components. The growing installation of plastic parts in automobiles, which are crucial for weight reduction and increased fuel economy, has an impact on this change. This demands high clamping force so that the final product manufactured can be highly accurate and reliable. Large tonnage machines can manufacture components like dashboards, bumpers, or other structural parts. As there is an increasing demand for fuel-efficient automobiles, electric and hybrid engines, new designs and types of components require plastic injection molding machines that can handle and produce the latest materials and designs.

CHALLENGES: Economic viability for smaller production capacities

Economic viability for smaller production capacities is a challenge for the plastic injection molding machine market. The significant initial investments required for the purchase of injection molding equipment are one of the main reasons for this challenge. The cost of installing, maintaining, and purchasing injection molding equipment is often high. Very small production runs can create a situation where the cost per unit is too high, and thus, it is economically impossible for businesses to invest in such equipment. The complexity of the process associated with injection molding makes this procedure unsuitable for production volumes that are relatively small.

Global Plastic Injection Molding Machine Market Ecosystem Analysis

Prominent companies in this market include well-established, financially stable manufacturers of plastic injection molding machines. These companies have been in business for a while and have broad product portfolios, cutting-edge technologies, and wide international sales and marketing networks. The prominent companies in this market include Haitian International Holdings Limited (China), Chen Hsong Holdings Ltd. (China), ENGEL AUSTRIA GmbH (Austria), Sumitomo Heavy Industries Limited (Japan), Hillenbrand, Inc. (US), Japan Steel Works LTD. (Japan), ARBURG GmbH (Germany), NISSEI PLASTIC INDUSTRIAL CO., LTD. (Japan), Husky Injection Molding Systems Ltd. (Canada), and KraussMaffei Group GmbH (Germany).



Based on clamping force, the 201-500 ton force is expected to be the fastest-growing segment in plastic injection molding machine market during the forecast period

201-500 ton force is projected to be the fastest-growing segment in the plastic injection molding machine market during the forecast period. The medical device industry is growing due to the increasing demand for precision parts, which encompass surgical instruments, diagnostic equipment, and treatment devices. This sector requires 200-500 ton clamping force machines, as there is a need for accuracy and hygiene.

The wearable technology and minimally invasive surgical instruments have high demand in a booming healthcare industry. This requires specialty parts that can be made using medium-tonnage machines.

Based on machine type, all-electric is expected to be the fastest-growing segment in the plastic injection molding machine market during the forecast period

The all-electric machine type segment is expected to be the fastest-growing in the plastic injection molding machine market during the forecast period. High-volume production processes require speed and high productivity. Due to the short response time and high accuracy of servo motors, it is evident that all-electric machines enable a significant difference in cycle time. Electric machines simplify the production cycle by enabling concurrent activities, such as part ejection, screw recovery, and mold opening, as any axis can be controlled. This synchronization reduces the entire cycle time and enables the production of a higher number of parts during a given period without compromising quality.

Based on end-use industry, healthcare is projected to be the fastest-growing segment in the plastic injection molding machine market during the forecast period

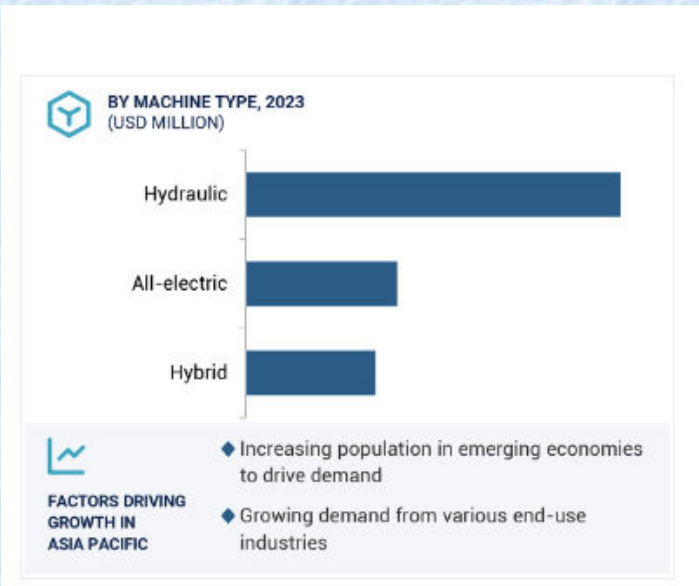
The healthcare segment is projected to be the fastest-growing segment in the plastic injection molding machine market during the forecast period. The growth in demand for plastic injection

molding machines in the healthcare industry can be attributed to the aging population, rising rates of chronic illnesses, and improvements in medical technology.

There is a rising demand for medical equipment and devices due to the higher rate of chronic illnesses, which is expected to lead to the growth of the plastic injection molding market. Injection molding is considered the best production technique when accurate and high-quality plastic parts are needed for a very large number of medical appliances, such as surgical tools, diagnostic equipment, syringes, and catheters.

Asia Pacific is expected to be the largest market for plastic injection molding machines during the forecast period

Asia Pacific is the largest consumer of plastic injection molding machines. Global demand from governments and consumers for increasingly environmentally friendly production continues to rise as plastic wastes and their impact on the environment increase. In the regional effort to reduce plastic waste and carbon emissions, several countries have enacted laws that limit the activities of local manufacturers in South Korea, Japan, and Singapore. Companies are now implementing more environment-friendly injection molding processes due to pressures from governments. These processes help produce a lower percentage of material waste, consume less energy, and promote recyclable or biodegradable polymers.



Recent Developments of Plastic Injection Molding Machine Market

- In December 2023, Haitian International Holdings Limited inaugurated a new 15,000 sqm experience center in Haiphong, Vietnam, marking a key step in its global expansion strategy.
- In August 2022, Hillenbrand, Inc., acquired Herbold Meckesheim GmbH for approximately USD 82.25 million. This acquisition enhances the company's position in the recycling industry and furthers its commitment to sustainability.
- In March 2024, ARBURG GmbH + Co KG launched a ALLROUNDER 720 E GOLDEN ELECTRIC. This new electric injection molding machine was introduced with a slim design and reduced installation area, allowing for higher output per square meter. It combines electrical precision with process stability, making it suitable for various applications, including medical device production. The machine is designed to be automated with ARBURG's robotic systems and is expected to be a cost-effective solution for technical injection molding.
- In January 2023, Sumitomo Heavy Industries Limited launched the iM18E, a compact hybrid injection molding machine known for its minimal footprint in the 18-ton class category and high precision stability.

ANNUAL REPORT 2024 - 2025
CHANDNI MACHINES LIMITED

- In December 2020, ENGEL AUSTRIA GmbH expanded its portfolio by launching a new duo-speed injection molding machine (5,000 to 11,000 kN) for manufacturing buckets and storage and transport containers.
- In May 2024, Husky Technologies unveiled its next-generation HyPET 6e platform at NPE 2024, designed to set new standards in sustainable molding. This platform integrates machine, mold, and auxiliary systems with real-time remote monitoring capabilities, focusing on enhanced energy efficiency and superior recycled PET (rPET) capabilities.

Key Market Players

KEY PLAYERS IN THE PLASTIC INJECTION MOLDING MACHINE MARKET INCLUDE

- Haitian International Holdings Limited (China)
- Hillenbrand, Inc. (US)
- Husky Injection Molding Systems Ltd. (Canada)
- Chen Hsong Holdings Ltd. (China)
- Japan Steel Works LTD. (Japan)
- KraussMaffei Group GmbH (Germany)
- ENGEL AUSTRIA GmbH (Austria)
- ARBURG GmbH (Germany)
- Sumitomo Heavy Industries Limited (Japan)
- NISSEI PLASTIC INDUSTRIAL CO., LTD. (Japan)



The packaging industry has been growing significantly across the globe. Rising purchasing power, busier lifestyles, and subsequently rising demand for on-the-go packaged products are promoting growth in the packaging industry. Product packaging with functional, convenient, and eco-friendly products is likely to gain traction. Injection molding is widely used for manufacturing packaging products, thereby the market growth of the packaging industry is projected to have a positive impact on the market growth over the forecast period.

Regional Insights

The injection molding machine market in North America is projected to grow at the fastest CAGR of 4.1% from 2024 to 2030. The region has witnessed significant manufacturing growth owing to the existing industrial dynamics and commodity abundance in its countries. Increasing demand for packaged food products, growing immigration, and ongoing technological advancements, such as automation, are some of the key factors responsible for the market growth in this region.

For and on behalf of Chandni Machine Limited

Date: 11-08-2025
Place: Mumbai

Sd/-
Jayesh Ramniklal Mehta
Managing Director
DIN: 00193029

INDEPENDENT AUDITOR’S REPORT

To
The Members,
Chandni Machines Limited
(Formerly known as Chandni Machines Private Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Chandni Machines Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2025, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2025, and its profit (including other comprehensive income), 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 Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act 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.

Key Audit Matters

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

| Verification and measurement of Investments in Equity Instruments | |
|--|---|
| <p>As at 31st March 2025, the Company has non-current investments in quoted equity instruments amounting to Rs 420.24 lakhs (Refer Note no.5) which comprises of 41.10% of its equity as at 31st March 2025.</p> <p>This was determined as a key audit matter, as the verification and measurement of the investments at fair value at the year-end involves significant judgment and estimate.</p> | <p>Our audit procedures related to the verification of equity instruments involves recognition, classification, measurement and reconciliation of demat holding statement with the books for the transactions during the year and the balance as at the year end and assessing the fair value on the basis of quoted price on the last trading day on the recognized stock exchange.</p> <p>We have verified the quantitative details of investments in equity instruments at the end of the year with the demat holding statement. We have also verified demat transaction statements with broker’s bills, on test check basis, for the acquisition and disposal of equity instruments. We have assessed the classification of equity instruments in the financial statements.</p> <p>We have verified initial measurement and de-recognition on disposal of the equity instruments and assessed its fair value at the year end.</p> |
| Measurement and valuation of inventory | |
| <p>As at 31st March 2025, the Company has inventory amounting to Rs.259.08 lakhs. (Refer Note no. 8) This was determined a key audit matter, as the measurement and valuation of the inventory at the year-end involves significant judgement and estimate.</p> <p>The Company uses internal and external experts, to perform volumetric assessments, on basis of which the quantity for these inventories is estimated.</p> | <p>Our audit procedures relating to the measurement of inventory included the following:</p> <p>(a) Understanding and evaluating the design and operating effectiveness of controls over physical count and measurement of such inventory; (b) Evaluation of competency and capabilities of management’s experts; (c) Observing, physically or through remote access, inventory measurement and count procedures carried out by management, to ensure its appropriateness and completeness; (d) Obtaining and inspecting, inventory measurement and physical count results for such inventories, including assessing and evaluating the results of analysis performed by management in respect of differences between book and physical quantities.</p> <p>Based on the above procedures performed, we did not identify any material exceptions in the measurement of inventory quantities.</p> |

| Verification of Loans granted | |
|--|---|
| <p>The Company has granted unsecured loans to various parties on the terms and conditions specified in the respective loan agreements. The maximum amount of such loans outstanding any time during the year was Rs. 547.50 lakhs and the outstanding balances of such loans as on 31st March 2025 is Rs. 407.50 lakhs. (Refer Note nos. 12)</p> <p>This was determined as a key audit matter since the amount of unsecured loans given by the company is 39.87% of its equity as on 31st March 2025. The recoverability of these unsecured loans and interest thereon will have major impact on the financial position and performance of the company including future cash flows.</p> <p>The Company reviews the financial statements of these parties to make assessments about their financial strength and market information about the financial stability of such parties.</p> | <p>Our audit procedure relating to verification, classification, measurement and disclosure of loans and advances given included the following:</p> <p>We have obtained the particulars of loans given including purpose for which the same is proposed to be utilized, confirmation of the loan accounts from the borrowers, the terms and conditions on which loans were given, relationship with the borrower etc.</p> <p>We have evaluated the assessment made by the management about the credit appraisal and the due diligence of the borrower before granting the loans.</p> <p>We have checked the statutory compliances made by the management in respect of loans given.</p> <p>We have checked transactions of the repayment of loans and payment of interest by the borrowers with the terms of the loan agreements.</p> <p>We checked the calculation of interest earned on loans given as per the terms of loan agreements.</p> <p>We have checked the classification of loans as per the repayment schedule in accordance with the loan agreements.</p> <p>We have checked the measurement of loans given at amortized cost using effective interest rate method.</p> <p>We have checked the disclosure of the loans given in the financial statements as per the statutory requirements.</p> |

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

The Company's Management and 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 financial statements and our auditors' report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other Information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's Responsibility for the Standalone Financial Statements

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

In preparing the standalone financial statements, management and Board of Directors are 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 also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of Section 164(2) of the Act.

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

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

- i. The company has disclosed the impact of pending litigations on its financial position in its standalone financial statements as mentioned in Note no.49;
- ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. There has been no amount 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, as disclosed in Note No. 48(xv), no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person 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, as disclosed in Note No. 48(xv), no funds 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; and
 - (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) hereinabove, contain any material misstatement.
- v. The company has not declared or paid any dividend during the year.
- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of

recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. The audit trail has been preserved by the company as per the statutory requirements for record retention from the date such audit trail (edit log) facility was enabled in the accounting software.

(C) With respect to the matter to be included in the Auditors' Report under section 197(16) as amended:

According to the information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with the provisions of section 197 read with Schedule V to the Act. The Ministry of corporate Affairs has not prescribed other details u/s. 197(16) of the Act which are required to be commented upon by us.

For Ambavat Jain & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 109681W

Ashish J. Jain
Partner
Membership No.111829

Place: Mumbai
Date: 23 May 2025

ICAI UDIN No: 25111829BMIFOF3848

CHANDNI MACHINES LIMITED

(Formerly known as Chandni Machines Private Limited)

Annexure – A to the Independent Auditors’ Report

(Referred to in paragraph 1 under ‘Report on other Legal & Regulatory Requirements’ Section of our report of even date)

- [i] (a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment including investment property and relevant details of Right of Use assets.

(B) The company does not have an intangible asset during the year.
- (b) These Property, Plant & Equipments including investment property and Right of Use assets have been physically verified by the management at reasonable intervals during the year considering the size of the company and nature of its assets and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
- (d) According to the information and explanations given to us, the company has not revalued its Property, Plant and Equipment and investment property (including Right of Use assets) during the year.
- (e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- [ii] (a) As informed to us, the inventory in the company’s possession has been physically verified at reasonable intervals during the year by the management. Considering the size of the company and nature of its business, in our opinion, the coverage and procedure of such verification by the management is appropriate. As informed to us, no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on verification between physical stock and book records.
- (b) According to the information and explanations given to us, the company has not been sanctioned any working capital limits from banks or financial institutions on the basis of security of current assets during the year.
- [iii] 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 granted advances in nature of loans or provided any guarantee or security to companies, firms, Limited Liability

Partnerships or any other parties during the year. However, the company has granted interest free loans to its employees, unsecured loans to companies and firms and made investments in companies during the year. The details of such loans granted are stated in sub-clause (a) below.

(a) The company has not granted advances in nature of loans or stood guarantee or provided security to any other entity. However, the company has provided interest free loans to its employees and unsecured loans to companies and firms during the year.

(A) According to the information and explanations given to us, the company does not have any subsidiaries, joint ventures and associates at any time during the year and hence, this sub-clause is not applicable.

(B) According to the information and explanations given to us, the company has granted loans to parties other than subsidiaries, joint venture and associates as below:

| Particulars | Amount (in Rs.) |
|---|-----------------|
| Aggregate amount of loans granted during the year – | |
| Loans to Employees | 80,000 |
| Loans to Others | 5,47,50,000 |
| Balance outstanding as at balance sheet date – | |
| Loans to Employees | 65,000 |
| Loans to Others | 4,07,50,000 |

(b) According to the information and explanations given to us, in our opinion, the investments made and the terms and conditions of the loans given to its employees and other parties are prima facie not prejudicial to the company’s interest.

(c) According to the information and explanations given to us, in respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.

(d) According to the information and explanations given to us, there is no overdue amount for more than ninety days in respect of loans given.

(e) According to the information and explanations given to us, there is no loan granted falling due during the year and hence, this sub-clause is not applicable.

(f) According to the information and explanations given to us and based on the term sheet of loans granted, the company has not given any loans either repayable on demand or without specifying any terms or period of repayment.

[iv] According to the information and explanations given to us and on the basis of our examination of the records, the company has complied with the provisions of section 186 of the Act with respect to the loans given and the investments made. Further, on the basis of our examination of the records, the company has not provided any guarantee or security as specified under sections 185 and 186 of the Act.

[v] According to the information and explanations given to us, the company has not accepted any deposits or any amounts which are deemed to be deposits within the meaning of

provisions of sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable.

- [vi] As informed to us, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act for any of the product of the Company.
- [vii] (a) In our opinion and according to the information and explanations given to us, the company has been regular in depositing with the appropriate authorities the undisputed statutory dues including goods and service tax, provident fund, income tax, duty of customs and other statutory dues as applicable to it. There were no arrears of outstanding undisputed statutory dues as at the last day of the financial year concerned for a period of more than six months from the date, they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues which have not been deposited on account of any dispute.
- [viii] According to the information and explanations given to us, the company has not surrendered or disclosed any unrecorded transactions in the books of account as income during the year in the tax assessments under the Income-tax Act, 1961.
- [ix] (a) According to the information and explanations given to us, the company has not defaulted in repayment of term loans or in the payment of interest to any lender during the year.
- (b) As informed to us, the company has not been declared as a wilful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us, the term loans were applied for the purpose for which they were obtained during the year.
- (d) According to the information and explanations given to us, the company has not raised any funds on short term basis during the year. Accordingly, paragraphs 3 (ix)(d) of the Order are not applicable.
- (e) According to the information and explanations given to us, the company does not have any subsidiaries, associates or joint ventures. Accordingly, paragraphs 3 (ix)(e) and 3(ix)(f) of the Order are not applicable.
- [x] (a) According to the information and explanations given to us, the company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x)(a) of the Order is not applicable.

- (b) According to the information and explanations give to us, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, paragraph 3(x)(b) of the Order is not applicable.
- [xi] (a) According to the information and explanations given to us, no fraud by the company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, the company has not received any whistle-blower complaints during the year.
- [xii] According to the information and explanations given to us, the company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- [xiii] According to the information and explanations given to us, in our opinion, the transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- [xiv] (a) According to the information and explanations provided to us, the internal audit was conducted by an external practicing chartered accountant appointed by the Company who had issued the quarterly internal audit reports for the period covered by our audit. Based on our examination of such internal audit reports, in our opinion, the internal audit conducted by the external practicing chartered accountant commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued by the external practicing chartered accountant till date, for the period under audit.
- [xv] According to the information and explanations given to us, the company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- [xvi] (a) According to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

- (b) According to the information and explanations given to us, the company has not conducted any Non-Banking Financial or Housing Finance activities during the year.
- (c) According to the information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) According to the information and explanations given to us, the company is not in any group as defined in Core Investment Companies (Reserve Bank) Directions 2016.
- (xvii) The company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) According to the information and explanations given to us, the provisions of section 135 of the Companies Act are not applicable to the Company during the year. Accordingly, paragraph 3(xx) of the Order is not applicable.

For Ambavat Jain & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 109681W

Ashish J. Jain
Partner
Membership No.111829

Place: Mumbai
Date: 23 May 2025

ICAI UDIN No: 25111829BMIFOF3848

CHANDNI MACHINES LIMITED

(Formerly known as Chandni Machines Private Limited)

Annexure - B to the Independent Auditors' Report

(Referred to in paragraph 2(A)(f) under 'Report on other Legal & Regulatory Requirements' Section of our report of even date)

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

Opinion

We have audited the internal financial controls over financial reporting with reference to standalone financial statements of Chandni Machines Limited (hereinafter referred to as "the Company") as of 31st March 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Considering the size of the company and nature of its business, in our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to standalone financial statements and such internal financial controls over financial reporting were operating effectively as at 31st 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 ("the Guidance Note").

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

ANNUAL REPORT 2024 - 2025
CHANDNI MACHINES LIMITED

financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls 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.

For Ambavat Jain & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 109681W

Ashish J. Jain
Partner
Membership No.111829

Place: Mumbai
Date: 23 May 2025

ICAI UDIN No: 25111829BMIFOF3848

CHANDNI MACHINES LIMITED
Balance Sheet as at 31st March, 2025

| Particulars | | Note No. | AS AT | AS AT |
|--------------|-------------------------------------|----------|--------------|--------------|
| | | | 31-03-2025 | 31-03-2024 |
| | | | Rs. | Rs. |
| I | ASSETS | | | |
| (1) | NON-CURRENT ASSETS | | | |
| (a) | Property, Plant and Equipment | 3 | 21,20,343 | 16,37,047 |
| (b) | Investment Properties | 3 (i) | 2,17,84,398 | 2,21,66,226 |
| (c) | Right of use assets | 4 | 9,80,406 | 33,89,056 |
| (d) | Financial Assets | | | |
| (i) | Investments | 5 | 4,20,23,625 | 1,97,41,175 |
| (ii) | Other Financial Assets | 6 | 36,522 | 1,53,47,622 |
| (d) | Deferred tax assets (Net) | 7 | 12,74,223 | (6,22,381) |
| (2) | CURRENT ASSETS | | | |
| (a) | Inventories | 8 | 2,59,07,756 | 2,95,09,866 |
| (b) | Financial Assets | | | |
| (i) | Trade receivables | 9 | 5,10,62,016 | 3,27,48,524 |
| (ii) | Cash and cash equivalents | 10 | 3,41,04,199 | 2,57,11,874 |
| (iii) | Bank balances other than (ii) above | 11 | 7,11,638 | 16,61,638 |
| (iv) | Loans | 12 | 4,07,50,000 | 68,50,000 |
| (v) | Other financial assets | 13 | 1,28,328 | 22,352 |
| (c) | Other current assets | 14 | 33,33,251 | 87,01,629 |
| (d) | Income Tax Assets (net) | 15 | 5,55,937 | 5,30,936 |
| Total Assets | | | 22,47,72,641 | 16,73,95,564 |
| II | EQUITY AND LIABILITIES | | | |
| (1) | EQUITY | | | |
| (a) | Equity Share capital | 16 | 3,22,74,330 | 3,22,74,330 |
| (b) | Other Equity | 17 | 6,99,38,655 | 5,56,67,239 |
| (2) | LIABILITIES | | | |
| (A) | NON -CURRENT LIABILITIES | | | |
| (a) | Financial Liabilities | | | |
| (i) | Borrowings | 18 | 11,69,342 | - |
| (ii) | Lease liabilities | 19 | - | 10,71,760 |

ANNUAL REPORT 2024 - 2025
CHANDNI MACHINES LIMITED

| | | | | |
|------------------------------|--|----|--------------|--------------|
| (iii) | Other Financial Liabilities | 20 | 3,61,005 | 4,39,482 |
| (c) | Provisions | 21 | 5,25,812 | 4,79,820 |
| | | | | |
| (B) | CURRENT LIABILITIES | | | |
| (a) | Financial Liabilities | | | |
| (i) | Short Term Borrowings | 22 | 2,78,339 | - |
| (ia) | Lease liabilities | 23 | 10,93,928 | 25,12,990 |
| (ii) | Trade payables | 24 | | |
| (a) | total outstanding dues of micro enterprises & small enterprises | | 76,898 | - |
| (b) | total outstanding dues of creditors other than micro enterprises & small enterprises | | 9,49,89,623 | 2,18,63,264 |
| (b) | Other Current Liabilities | 25 | 2,37,67,686 | 5,21,11,783 |
| (c) | Current Income-tax | 26 | 2,97,023 | 9,74,895 |
| Total Equity and Liabilities | | | 22,47,72,641 | 16,73,95,564 |
| | | | | |

As per our report of even date
For Ambavat Jain & Associates LLP
Chartered Accountants
Firm Registration No. 109681W

On behalf of the Board

J.R. Mehta
Director
DIN 00193029

R.C. Garg
Director
DIN 03346742

Ashish J. Jain
Partner
Membership No. 111829

Saroj Kumar Mohanta
Chief Financial Officer

Komal Nandu
Company Secretary
Membership No. A65568

Place: MUMBAI
Date: 23-05-2025

Place: MUMBAI
Date: 23-05-2025

Statement of Profit and Loss for the year ended 31st March, 2025

| | Particulars | Note No. | 2024-25 | 2023-24 |
|------|--|----------|----------------|----------------|
| | | | Rs. | Rs. |
| | Income | | | |
| I | Revenue From Operations | 27 | 2,00,98,62,081 | 1,65,92,70,966 |
| II | Other Income | 28 | 1,82,14,978 | 87,04,224 |
| III | Total Income (I + II) | | 2,02,80,77,059 | 1,66,79,75,190 |
| IV | Expenses | | | |
| a) | Purchases of Stock-in-Trade | 29 | 1,94,89,64,004 | 1,58,18,85,688 |
| b) | Change in inventories of Stock-in-Trade | 30 | 36,02,110 | 2,23,89,469 |
| c) | Employee benefits expenses | 31 | 92,97,248 | 63,85,150 |
| d) | Finance costs | 32 | 2,30,557 | 4,13,394 |
| e) | Depreciation & amortization | 3 & 4 | 23,07,079 | 38,23,930 |
| f) | Other expenses | 33 | 4,29,30,564 | 2,92,84,414 |
| | Total Expenses (IV) | | 2,00,73,31,562 | 1,64,41,82,045 |
| V | Profit before tax (III - IV) | | 2,07,45,497 | 2,37,93,145 |
| VI | Tax expenses: | 34 | | |
| | (i) Current tax | | 80,23,444 | 71,37,647 |
| | (ii) Tax of earlier years | | 3,47,242 | 24,674 |
| | (iii) Deferred tax | | (18,96,604) | (6,63,701) |
| | | | 64,74,081 | 64,98,620 |
| VII | Profit for the year (V - VI) | | 1,42,71,416 | 1,72,94,525 |
| VIII | Other Comprehensive Income | | - | - |
| IX | Total Comprehensive Income for the year (VII+VIII) | | 1,42,71,416 | 1,72,94,525 |
| X | Earnings per equity share | 35 | | |
| | (a) Basic | | 4.42 | 5.36 |
| | (b) Diluted | | 4.42 | 5.36 |

As per our report of even date
For Ambavat Jain & Associates LLP
Chartered Accountants
Firm Registration No. 109681W

Sd/-

Ashish J. Jain
Partner
Membership No. 111829

Place: MUMBAI
Date: 23-05-2025

On behalf of the Board

Sd/-
J.R. Mehta
Director
DIN 00193029

Sd/-

Saroj Mohanta
Chief Financial Officer

Place: MUMBAI
Date: 23-05-2025

Sd/-
R.C. Garg
Director
DIN 03346742

Sd/-

Komal Nandu
Company Secretary

Statement of Cash Flow the period ended 31st March, 2025

Accounting Policy

Cash flows are reported using the indirect method, whereby profit/(loss) for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

| Particulars | | 2024-25 | 2023-24 |
|-------------|---|----------------|---------------|
| | | Rs | Rs |
| | | | |
| | Cash flow from operating activities | | |
| | Profit before Tax | 2,07,45,497 | 2,37,93,145 |
| | | | |
| | Depreciation & amortisation | 23,07,079 | 38,23,930 |
| | Cancellation of Lease (Ind AS) | (63,318) | (38,079) |
| | Changes in fair value of Investments | 1,30,59,056 | 31,23,132 |
| | Allowance for Credit loss | (25,79,935) | 13,83,740 |
| | Profit on sale of Investments | (41,07,337) | (34,35,356) |
| | Loss on sale of PPE | 8,552 | - |
| | Securities Transaction Tax | 5,66,110 | 2,45,076 |
| | Dividend Income | (1,96,060) | (31,060) |
| | Net Rental Income | (11,77,789) | (13,72,528) |
| | Interest Income | (33,20,335) | (34,95,239) |
| | Interest Expenses | 2,04,655 | 3,84,785 |
| | Cash operating profit before working capital changes | 2,54,46,175 | 2,43,81,547 |
| | Adjustment for: | | |
| | (Increase)/Decrease in Trade receivables | (1,65,40,812) | (3,17,17,941) |
| | (Increase)/Decrease in Inventories | 36,02,110 | 2,23,89,469 |
| | (Increase)/Decrease in Other Financial Assets | 8,44,024 | 1,73,88,880 |
| | (Increase)/Decrease in Other Current Assets | 61,75,634 | (14,03,735) |
| | (Increase)/Decrease in Other Non-Current Assets | - | 51,000 |
| | (Increase)/Decrease in Other Non-Current Financial Assets | 68,11,100 | (65,06,503) |
| | Increase/(Decrease) in Current Liabilities | (78,477) | 28,609 |
| | Increase/(Decrease) in Provisions | 45,992 | 1,76,733 |
| | Increase/(Decrease) in Trade payables | 7,32,03,257 | 2,00,41,614 |
| | Increase/(Decrease) in Non -Current Liabilities | (2,83,44,097) | 54,78,804 |
| | Cash generated from operating activities | 7,11,64,905 | 5,03,08,478 |
| | Income taxes paid (net of refund) | (90,73,557) | (63,84,586) |
| | Net Cash generated from operating activities | 6,20,91,347 | 4,39,23,891 |
| | | | |
| | Cash flow from Investing activities | | |
| | Purchase of Property, Plant and Equipments | (19,01,831) | (76,542) |
| | Proceeds from the sale of PPE | 10,85,000 | - |
| | Additions to Right to use asset | - | (29,860) |
| | Payment for purchase of Investments | (24,32,47,278) | (9,47,44,353) |
| | Proceeds from Sale of Investments | 21,14,48,939 | 7,50,70,433 |
| | Dividend Income | 1,96,060 | 31,060 |
| | Rental Income | 11,77,789 | 13,72,528 |
| | Net cash generated/(used) from investing activities | (3,12,41,320) | (1,83,76,734) |

ANNUAL REPORT 2024 - 2025
CHANDNI MACHINES LIMITED

| | | | |
|--|--|---------------|-------------|
| | Cash flow from Financing activities | | |
| | Payment of Lease liabilities | (17,45,288) | (32,45,879) |
| | Loans Taken | 14,47,681 | - |
| | Loans given | (2,54,00,000) | (23,50,000) |
| | Interest received | 33,20,335 | 34,95,239 |
| | Interest Expense | (80,430) | - |
| | Net cash generated/(used) from financing activities | (2,24,57,703) | (21,00,640) |
| | | | |
| | Net Increase/(decrease) in cash and cash equivalents | 83,92,325 | 2,34,46,517 |
| | | | |
| | Cash and cash equivalents at the beginning of the year | 2,57,11,874 | 22,65,357 |
| | Cash and cash equivalents at end of the year | 3,41,04,199 | 2,57,11,874 |

As per our report of even date
For Ambavat Jain & Associates LLP
Chartered Accountants

Firm Registration No. 109681W

Sd/-

Ashish J. Jain
Partner
Membership No. 111829
Saroj Mohanta

Place: MUMBAI
Date: 23-05-2025

On behalf of the Board

Sd/-
J.R. Mehta
Director
DIN 00193029

Sd/-
R.C. Garg
Director
DIN 03346742

Sd/-

Saroj Mohanta
Chief Financial Officer

Komal Nandu
Company Secretary
Membership No. A65568

Place: MUMBAI
Date: 23-05-2025

STATEMENT OF CHANGES IN EQUITY

| A. Equity Share Capital | | | | |
|--|--|---|---|--|
| (1) 2024-25 | | | | |
| 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 |
| 3,22,74,330 | - | 3,22,74,330 | - | 3,22,74,330 |
| | | | | |
| (2) 2023-24 | | | | |
| 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 |
| 3,22,74,330 | - | 3,22,74,330 | - | 3,22,74,330 |
| B. Other Equity | | | | |
| | Reserves and Surplus | | Items of Other Comprehensive Income | Total Other Equity |
| | Capital Reserve | Retained Earnings | | |
| | | | | |
| As at 1st April 2023 | 41,02,941 | 3,42,69,773 | - | 3,83,72,714 |
| | | | | |
| Profit for the year | - | 1,72,94,525 | - | 1,72,94,525 |
| Other Comprehensive income | - | - | - | - |
| Total comprehensive income for the year | - | 1,72,94,525 | - | 1,72,94,525 |
| | | | | |
| As at 31st March 2024 | 41,02,941 | 5,15,64,298 | - | 5,56,67,239 |
| | | | | |
| Profit for the year | - | 1,42,71,416 | - | 1,42,71,416 |
| Other Comprehensive income | - | - | - | - |
| Total comprehensive income for the year | - | 1,42,71,416 | - | 1,42,71,416 |
| | | | | |
| As at 31st March 2025 | 41,02,941 | 6,58,35,714 | - | 6,99,38,655 |

NOTES ON THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Chandni Machines Ltd. is a public company limited by shares, domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at 108/109, T.V. Industrial Estate, 52, S.K. Ahire Marg, Worli, Mumbai 400 030, India. Its shares are listed on BSE Ltd in India.

The Company is primarily engaged in trading of engineering goods.
The financial statements are approved by the company's board of directors on May 23, 2025.

2. Material Accounting Policy Information

Pursuant to the Companies (Indian Accounting Standards) Amendment Rules, 2023 effective 01-04-2023, the company is required to disclose 'material accounting policy Information' in lieu of the earlier requirement of disclosing 'significant accounting policies'.

All accounting policies followed by the company are in accordance with the Indian Accounting Standards (Ind AS) notified u/s 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 and conform to Schedule III to the Companies Act, 2013 as applicable.

Specific disclosure of material accounting policy information where Ind AS permits options is made hereunder:

The company has assessed the materiality of the accounting policy information, which involves exercising judgement and considering both quantitative and qualitative factors by taking into account not only the size and nature of the item or condition but also the characteristics of the transactions, events or conditions that could make the information more likely to impact the decisions of the users of the financial statements.

a) Basis of preparation

(i) Compliance with Ind AS

These Financial Statement have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 as a going concern on an accrual basis.

(ii) Historical cost convention

The Financial Statements have been prepared on a historical cost basis, except for the following:

- Equity Investments in entities are measured at fair value;
- Certain financial assets & liabilities are measured at fair value;

(iii) Use of estimates

In preparing the Financial Statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of Financial Statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognized in the period the same is determined.

b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;

- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

c) Fair value measurement

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

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarizes accounting policy for a fair value. Other fair value related disclosures are given in the relevant notes.

d) Revenue recognition

The Company earns revenue primarily from sale of products and sale of services.

Sale of Products and Services

Revenues are recognized when the Company satisfies the performance obligation by transferring a promised product or service to a customer. A product is transferred when the customer obtains control of that product. To recognize revenues, company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Engineering Services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognized by reference to the stage of completion of the transaction at the end of reporting period

Commission Income

Commission Income is recognized as revenue when the Company fulfills its specific performance obligation under contract and the right to receive commission is ascertained and established.

Interest Income

Revenue from Interest is recognized on accrual basis and determined by contractual rate of interest.

Rental Income

Rental income from the property leased under the leave and license agreement is recognized as income on a straight-line basis over the period of contractual lease terms. The respective leased assets are included in the balance sheet based on their nature.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is measured net of indirect taxes, returns and discounts.

Dividend Income

Dividend income is stated at gross and is recognized when right to receive payment is established.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is measured net of indirect taxes, returns and discounts.

e) Transactions in Foreign Currency

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Premium on forward cover contracts, if any, in respect of imports is charged to profit & loss account over the period of contract. All monetary assets and liabilities as at the Balance sheet date, not covered by forward contracts are restated at the applicable exchange rates prevailing on that date. All exchange differences arising on transactions, not covered by forward contracts, are charged to Profit & Loss Account.

f) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand, cash at bank and 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.

g) Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

h) Inventories

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

- Costs includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

i) Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less depreciation.

Historical Cost represents direct expenses incurred on acquisition or construction of the assets and the share of indirect expenses relating to construction allocated in proportion to the direct cost involved.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment, is provided on 'Straight Line Method' based on useful life as prescribed under Schedule II of the Companies Act 2013.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. 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 asset and is recognized in the Statement of Profit and Loss.

j) Investment Properties

Investment properties consist of commercial offices not required presently for own use or administrative purposes and which are leased to others to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

The Company, based on technical assessment made by management, depreciates the building over estimated useful lives of 60 years. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in notes. Fair value is determined based on ready reckoner rate prescribed by the Government of Maharashtra for the purpose of levy of stamp duty.

k) Lease

As a Lessee

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets ("ROU") are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Modification of the lease terms relating to period of lease and lease payments are recognized in accordance with Paragraphs 42 to 46B of Indian AS 116 and appropriate adjustments are made to ROU and Lease liability during the year of modification of lease.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their

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

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

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

The weighted average incremental borrowing rate applied to lease liabilities is 6.75%.

As a lessor

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

l) Financial instruments

Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss directly attributable transaction costs. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Classification

- Cash and Cash equivalents
Cash and cash equivalents comprises cash on hand and demand deposits with banks.

- Debt Instruments

The Company classifies its debt instruments as subsequently measured at amortised cost, fair value through Other Comprehensive Income or fair value through profit or loss based on its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income from these financial assets is included as a part of the Company's income in the Statement of Profit and Loss using the effective interest rate method.

(ii) Financial assets at fair value through Other Comprehensive Income (FVOCI)

Financial assets are subsequently measured at fair value through Other Comprehensive Income if these financial assets are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest. Movements in the carrying value are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from Other Comprehensive Income to the Statement of Profit and Loss. Interest income on such financial assets is included as a part of the Company's income in the Statement of Profit and Loss using the effective interest rate method.

(iii) Financial assets at fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on such debt instrument that is subsequently measured at FVTPL as well as interest income is recognised in the Statement of Profit and Loss.

Equity Instruments

The Company subsequently measures all equity investments (other than the investment in subsidiaries which are measured at cost) at fair value. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payment is established.

Derecognition

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset. Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities not at fair value through profit or loss directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

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

Impairment of financial assets

The Company assesses, at each reporting date, whether a financial asset or a group of financial assets is impaired. Ind AS-109 on Financial Instruments, requires expected credit losses to be measured through a loss allowance. For trade receivables only, the Company recognises expected lifetime losses using the simplified approach permitted by Ind AS-109, from initial recognition of the receivables. For other financial assets (not being equity instruments or debt instruments measured subsequently at FVTPL) the expected credit losses are measured at the 12 month expected credit losses or an amount equal to the lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition.

m) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortized cost using the effective interest method.

n) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of respective assets during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

o) Employee Benefits

(i) Short-term obligations

The costs of all short-term employee 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 during the period in which the employee renders the related services. The accruals for employee entitlements of benefits such as salaries, bonuses and annual leave represent the amount which the Company has a present obligation to pay as a result of the employees' services and the obligation can be measured reliably. The accruals have been calculated at undiscounted amounts based on current salary levels at the Balance Sheet date.

(ii) Post-employment obligations

The Company operates the following post-employment schemes:

Provident Fund

The Company pays provident fund contributions to a fund administered by Government Provident Fund Authority. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

Gratuity

The Company has provided for gratuity in terms Payment of Gratuity Act, 1972 to eligible employees considering that all employees retire on the Balance Sheet date.

p) Tax expenses

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted, by the end of the reporting period.

(ii) Deferred Tax

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 separate Financial Statements.

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 realize the asset and settle the liability simultaneously.

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

q) Earnings per share

Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share.

r) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period. In case of such reversal, the carrying amount of the asset is increased so as not to exceed the carrying amount that would have been determined had there been no impairment loss.

s) Segment Reporting

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property and equipment and intangible assets including goodwill.

t) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when there is a present legal or statutory obligation or constructive obligation as a result of past events and where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets where it is probable that future economic benefits will flow to the Company are not recognized but disclosed in the Financial Statements. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognized as an asset.

| | | | | | | | | | | | |
|----------------------|-----------------------|-----------|-----------------|----|------------|---------------------|--------------|-----------------|------------|------------|-------------|
| 3 | | | | | | | | | | | |
| | GROSS CARRYING AMOUNT | | | | | NET CARRYING AMOUNT | | | | | |
| | As at | Additions | Deductio | No | As at | Upto | For the year | Deduction | Upto | As at | As at |
| | 01/04/2024 | | ns/ Adjustme | | 31/03/2025 | 31/03/2024 | | s/ Adjustmen | 31/03/2025 | 31/03/2025 | 31/03/2024 |
| Particulars | | | nts | | | | | | | | |
| Furniture & Fixtures | 3,24,984 | - | - | | 3,24,984 | 117,182 | 30,864 | - | 1,48,046 | 176,938 | 207,802 |
| Office Equipments | 4,77,422 | 116,131 | - | | 593,553 | 400,509 | 42,494 | - | 4,43,003 | 150,550 | 76,913 |
| Computer | 1,00,200 | 31,388 | - | | 131,588 | 52,487 | 22,348 | - | 74,835 | 56,753 | 47,713 |
| Vehicles | 20,42,164 | 1,754,312 | 1,991,809 | | 1,804,667 | 818,026 | 219,257 | 898,257 | 1,39,026 | 1,665,641 | 1,224,138 |
| Air Conditioners | 1,28,996 | - | - | | 128,996 | 51,113 | 10,020 | - | 61,133 | 67,863 | 77,883 |
| Electrical Fittings | 51,967 | - | - | | 51,967 | 49,369 | - | - | 49,369 | 2,598 | 2,598 |
| Total | 31,25,733 | 19,01,831 | 19,91,809 | | 30,35,755 | 14,88,686 | 3,24,983 | 8,98,257 | 9,15,412 | 21,20,343 | 16,37,047 |
| Total Previous Year | 2,71,78,951 | 76,542 | 2,41,29,760 | | 31,25,733 | 27,21,376 | 3,53,578 | 15,86,268 | 14,88,686 | 16,37,047 | 2,44,57,575 |
| (*) | | | | | | | | | | | |
| (**) | | | | | | | | | | | |

| | | | | | | | | | | | |
|-----|-----------------------|-----------------------|-----------|--------------------------|------------------|-----------------|--------------|--------------------------|-----------------|------------------|---------------------|
| 3.1 | Investment Properties | | | | | | | | | | |
| | | GROSS CARRYING AMOUNT | | | | DEPRECIATION | | | | | NET CARRYING AMOUNT |
| | Particulars | As at 01-04-2024 | Additions | Deductions / Adjustments | As at 31/03/2025 | Upto 31-03-2024 | For the year | Deductions / Adjustments | Upto 31/03/2025 | As at 31/03/2025 | As at 31-03-2024 |
| | Office Premises | 2,41,29,760 | - | - | 2,41,29,760 | 19,63,534 | 3,81,828 | - | 23,45,362 | 2,17,84,398 | 22,166,226 |
| | Total | 2,41,29,760 | - | - | 24,12,9,760 | 1,963,534 | 3,81,828 | - | 23,45,362 | 2,17,84,398 | 22,166,226 |
| | Total Previous Year | - | - | 2,41,29,760 | 2,41,29,760 | - | 3,81,809 | 15,81,725 | 19,63,534 | 2,21,66,226 | - |

Notes:

a. Information regarding Income and expenditure of Investment properties

| | 2024-25 | 2023-24 |
|---|-----------|-----------|
| Rental income derived from Investment properties | 14,46,348 | 15,08,405 |
| Direct operating expenses generating rental incomes | 2,68,559 | 1,35,877 |
| Profit arising from investment properties before depreciation and indirect expenses | 11,77,789 | 13,72,528 |
| Less: Depreciation | 3,81,828 | 3,81,809 |
| Profit arising from investment properties before indirect expenses | 7,95,961 | 9,90,719 |

b. The Company’s investment properties consist of office premises which was let out during the year.

c. Fair value

Description of valuation techniques used and key inputs to valuation on investment properties:

| Particulars | Valuation technique (See Note below) | Fair Value Hierarchy (See Note below) | Fair Value | |
|-----------------|---|--|-------------|-------------|
| | | | 31-03-2025 | 31-03-2024 |
| Office Premises | Stamp Duty Reckoner rate | Level 2 | 2,65,00,000 | 2,65,00,000 |

The fair value is not based on the valuation by a registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. However, the above valuation of the investment properties are in accordance with the Ready Reckoner rates prescribed by the Government of Maharashtra for the purpose of levying stamp duty. The management has referred to the publications and government website for Ready Reckoner rates. The adjustments related to floors, lifts and other factors are not considered for valuation of office Premises. 'Since the valuation is based on the published Ready Reckoner rates, the company has classified the same under Level 2.

4 RIGHT OF USE ASSETS

| Particulars | 31-03-2025 | 31-03-2024 |
|--------------------------|------------|------------|
| Balance at the beginning | 33,89,056 | 50,98,861 |
| Additions | - | 26,28,208 |
| Deletion | 8,08,382 | 12,44,927 |
| Amortisation | 16,00,268 | 30,93,086 |
| Balance at the year end | 9,80,406 | 33,89,056 |

The amortisation on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

5 NON- CURRENT - INVESTMENTS

| | | | AS AT 31-03-2025 | | AS AT 31-03-2024 | |
|-----|--|----|------------------|-----------|------------------|-----------|
| | | | No.s | Amount | No.s | Amount |
| | | | | | | |
| | | | - | - | - | - |
| | | | - | - | - | - |
| | Investments in Equity Instruments - | | - | - | - | - |
| (i) | Others (At Fair Value Through Profit or Loss) | | - | - | - | - |
| | Quoted | | - | - | - | - |
| 1. | BANK OF MAHARASHTRA | 10 | 10,000 | 462,200 | - | - |
| 2. | BAJAJ HOUSING FINANCE LTD | 10 | 5,000 | 616,250 | - | - |
| 3. | CENTRAL DEPOSITORY SERVICES (INIDA) LTD | 10 | 250 | 305,013 | - | - |
| 4. | CEAT LTD | 10 | 250 | 720,225 | - | - |
| 5. | GAIL (INDIA) LTD | 10 | - | - | 2,500 | 452,875 |
| 6. | GMR AIRPORTS LTD | 1 | 50,000 | 3,783,000 | 35,000 | 2,856,700 |
| 7. | GMR POWER AND URBAN INFRA LTD | 5 | 5,000 | 571,500 | - | - |
| 8. | GRANULES INDIA LTD | 1 | 2,000 | 974,200 | - | - |
| 9. | GTL INFRASTRUCTURE LTD | 10 | 100,000 | 140,000 | - | - |
| 10. | HFCL LTD | 1 | 5,000 | 395,100 | 2,500 | 229,750 |
| 11. | HLV LTD | 2 | 20,000 | 240,400 | 20,000 | 522,000 |
| 12. | HINDUSTAN COPPER LTD | 5 | 5,000 | 1,103,000 | - | - |
| 13. | HINDUSTAN CONSTRUCTION COMPANY LTD | 1 | 10,000 | 258,600 | - | - |
| 14. | HINDUSTAN MOTORS LTD | 5 | 10,000 | 212,900 | - | - |
| 15. | HUDCO LTD | 10 | - | - | 5,000 | 936,500 |
| 16. | INFIBEAM AVENUES LTD | 1 | 25,000 | 414,250 | 50,000 | 1,706,000 |
| 17. | IFCI LTD | 10 | 20,000 | 861,600 | - | - |
| 18. | IRB INFRASTRUCTURE DEVELOPERS LTD | 1 | 25,000 | 1,128,250 | - | - |
| 19. | LLOYDS ENGINEERING WORKS LTD | 1 | 5,000 | 288,200 | - | - |
| 20. | MOTHERSON SUMI WIRING INDIA LTD | 1 | - | - | 10,000 | 659,700 |
| 21. | MULTI COMMODITY EXCHANGE OF INDIA LTD | 10 | 250 | 1,327,700 | - | - |
| 22. | NETWORK 18 MEDIA & INVESTMENTS LTD | 5 | 2,906 | 126,120 | - | - |
| 23. | NHPC LTD | 10 | - | - | 5,000 | 448,150 |

ANNUAL REPORT 2024 - 2025
CHANDNI MACHINES LIMITED

| | | | | | | |
|-----|--|----|---------|------------|---------|------------|
| 24. | NIPPON LIFE INDIA ASSET MANAGEMENT LTD | 10 | 1,000 | 578,100 | - | - |
| 25. | NTPC GREEN ENERGY LTD | 10 | 5,000 | 502,850 | - | - |
| 26. | NTPC LTD | 10 | 5,000 | 1,788,250 | 10,000 | 3,359,500 |
| 27. | ODIGMA CONSULTANCT SOLUTIONS LTD | 1 | 280 | 10,637 | - | - |
| 28. | PCBL CHEMICAL LTD | 1 | 1,000 | 423,350 | - | - |
| 29. | POWER GRID CORPORATION | 10 | 4,000 | 1,161,800 | - | - |
| 30. | RAILTEL CORPORATION OF INDIA LTD | 10 | - | - | 5,000 | 1,818,500 |
| 31. | REC LTD | 10 | 6,000 | 2,576,400 | 3,000 | 1,352,400 |
| 32. | RELIANCE INDUSTRIES LTD | 10 | 2,000 | 2,550,000 | - | - |
| 33. | RELIANCE POWER LTD | 10 | - | - | 50,000 | 1,411,500 |
| 34. | RHI MAGNESITA INDIA LTD | 1 | 2,000 | 1,010,000 | - | - |
| 35. | SIEMENS LTD | 2 | 1,000 | 5,276,250 | - | - |
| 36. | SWIGGY LIMITED | 1 | 4,000 | 1,319,600 | - | - |
| 37. | TATA ELXSI LTD | 10 | 200 | 1,043,260 | - | - |
| 38. | TATA INVESTMENT CORPORATION LTD | 10 | 100 | 631,505 | - | - |
| 39. | TATA POWER COMPANY LTD | 1 | 7,000 | 2,627,800 | - | - |
| 40. | TATA TECHNOLOGIES LTD | 2 | 1,000 | 678,250 | - | - |
| 41. | TATA TELESERVICES (MAHARASHTRA) LTD | 10 | 10,000 | 563,300 | 10,000 | 739,600 |
| 42. | TRENT LTD | 1 | 100 | 531,105 | - | - |
| 43. | VODAFONE IDEA LTD | 10 | 151,000 | 1,028,310 | - | - |
| 44. | YES BANK LTD | 2 | 165,000 | 2,786,850 | 140,000 | 3,248,000 |
| 45. | ETERNAL LTD (ZOMATO LTD) | 1 | 5,000 | 1,007,500 | - | - |
| | | | | 42,023,625 | | 19,741,175 |
| | | | | | | |

| | | |
|---|------------|------------|
| Aggregate value of quoted investments (at fair value) | 42,023,625 | 19,741,175 |
| Aggregate market value of quoted investments | 42,023,625 | 19,741,175 |

(*) Out of the above, shares amounting to Rs.3,88,09,878/- (2024 - Rs. 1,61,01,675/-) are pledged as a margin money with the stock broker.

6 **OTHER NON- CURRENT FINANCIAL ASSETS**

(Unsecured considered good)

| | | |
|---|---------------|--------------------|
| Security Deposits - Considered good | 36,522 | 3,47,622 |
| Bank Deposits with more than 12 months maturity | - | 65,00,000 |
| Loans to Related party (Refer note no. 46) | - | 85,00,000 |
| | 36,522 | 1,53,47,622 |

Unsecured loan given to related party at interest rate of 9% p.a. repayable in 5 equated yearly instalments of Rs. 70 lakhs commencing from June 2024. Final instalment is due on or before June, 2028. Interest payment is on annual basis. The Company has recovered substantial amount of loan during the year.

7 **DEFERRED TAX LIABILITIES/(ASSETS) (NET)**

Deferred Tax Assets:

| | | |
|--|-----------|----------|
| Expenses allowable on payment basis under Tax Laws | 2,58,927 | 1,92,536 |
| Allowances for doubtful debts /advances | 1,51,008 | 8,00,326 |
| Others | 32,36,746 | 5,35,929 |

Deferred tax Liabilities:

| | | |
|--|------------------|-------------------|
| Timing difference on account of depreciation | 23,72,459 | 21,51,172 |
| Net Deferred Tax Liabilities/(Assets) | 12,74,223 | (6,22,381) |

8 **INVENTORIES**

(As taken, valued and certified by the management)

| | | |
|----------------|--------------------|--------------------|
| Stock-in-trade | 2,59,07,756 | 2,95,09,866 |
| | 2,59,07,756 | 2,95,09,866 |

9 **TRADE RECEIVABLES**

Trade Receivables

| | | |
|----------------------------------|--------------------|--------------------|
| Unsecured, Considered good | 5,10,62,016 | 3,27,48,524 |
| Credit Impaired | - | 17,72,680 |
| Less:- Allowance for credit loss | - | 17,72,680 |
| | 5,10,62,016 | 3,27,48,524 |

Due from the Company in which director is interested (Refer note no. 47)

| | | |
|--|---|-------------|
| | - | 2,00,00,000 |
|--|---|-------------|

9.1 **Trade Receivables ageing schedule -**

| Outstanding for following periods from due date of payment - As at 31-03-2025 | | | | | | |
|---|--------------------|-------------------|-----------|-----------|-------------------|-------------|
| Particulars | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| i. Undisputed Trade receivables (unsecured) - considered good | 5,10,62,016 | - | - | - | - | 5,10,62,016 |
| ii. Undisputed Trade receivables (unsecured) - which | - | - | - | - | - | - |

ANNUAL REPORT 2024 - 2025
CHANDNI MACHINES LIMITED

| | | | | | | | |
|-----|---|--------------------|---|---|---|---|--------------------|
| | have significant increase in credit risk | | | | | | |
| iii | Undisputed Trade receivables (unsecured) - credit impaired | - | - | - | - | - | - |
| iv | Disputed Trade receivables (unsecured) - considered good | - | - | - | - | - | - |
| v. | Disputed Trade receivables (unsecured) - which have significant increase in credit risk | - | - | - | - | - | - |
| vi | Disputed Trade receivables (unsecured) - credit impaired | - | - | - | - | - | - |
| | | 5,10,62,016 | - | - | - | - | 5,10,62,016 |
| | Less: Allowances for credit loss | - | - | - | - | - | - |
| | Total :- | 5,10,62,016 | - | - | - | - | 5,10,62,016 |

Outstanding for following periods from due date of payment - As at 31-03-2024

| Particulars | | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|-------------|---|--------------------|--------------------|-----------------|-----------|-------------------|--------------------|
| i. | Undisputed Trade receivables (unsecured) - considered good | 1,27,48,524 | 2,00,00,000 | - | - | - | 3,27,48,524 |
| ii. | Undisputed Trade receivables (unsecured) - which have significant increase in credit risk | - | - | - | - | - | - |
| iii | Undisputed Trade receivables (unsecured) - credit impaired | - | - | 2,83,740 | - | 14,88,940 | 17,72,680 |
| iv | Disputed Trade receivables (unsecured) - considered good | - | - | - | - | - | - |
| v. | Disputed Trade receivables (unsecured) - which have significant increase in credit risk | - | - | - | - | - | - |
| vi | Disputed Trade receivables (unsecured) - credit impaired | - | - | - | - | - | - |
| | Total:- | 1,27,48,524 | 2,00,00,000 | 2,83,740 | - | 4,88,940 | 3,45,21,204 |

ANNUAL REPORT 2024 - 2025
CHANDNI MACHINES LIMITED

| | | | | | | | |
|------------|---|--------------------|--------------------|--------------------|----------|--------------------|--------------------|
| | Less: Allowances for credit loss | - | - | 2,83,740 | - | 14,88,940 | 1,77,26,80 |
| | Total :- | 1,27,48,524 | 2,00,00,000 | - | - | - | 3,27,48,524 |
| 10 | <u>CASH & CASH EQUIVALENTS</u> | | | | | | |
| | Balances with banks | | | | | | |
| | -in current accounts | | | 3,39,61,634 | | 2,47,59,285 | |
| | -Bank deposits with less than 3 months maturity | | | | - | 5,00,000 | |
| | Cash on hand | | | 1,42,565 | | 4,52,589 | |
| | | | | 3,41,04,199 | | 2,57,11,874 | |
| 11 | <u>OTHER BANK BALANCES</u> | | | | | | |
| | Bank deposits with maturity of more than 3 months but less than 12 months | | | 7,11,638 | | 16,61,638 | |
| | | | | 7,11,638 | | 16,61,638 | |
| 12 | <u>LOANS</u> | | | | | | |
| | Current Loans to Others | | | 4,07,50,000 | | 68,50,000 | |
| | | | | 4,07,50,000 | | 68,50,000 | |
| 13 | <u>OTHER CURRENT FINANCIAL ASSETS</u> | | | | | | |
| | (Unsecured, considered good) | | | | | | |
| | Loans to employees | | | 65,000 | | 14,852 | |
| | Deposits | | | 63,328 | | 7,500 | |
| | | | | 1,28,328 | | 22,352 | |
| 14 | <u>OTHER CURRENT ASSETS:</u> | | | | | | |
| | Unsecured, Considered Good | | | | | | |
| | Balances with Govt. Authorities | | | 7,01,421 | | 6,58,931 | |
| | Claims & Other Receivables | | | 13,94,492 | | 12,06,938 | |
| | Advances to vendors | | | 11,99,331 | | 67,99,558 | |
| | Prepaid Expenses | | | 38,006 | | 36,202 | |
| | | | | 33,33,251 | | 87,01,629 | |
| | Unsecured, Considered Doubtful | | | | | | |
| | Advances to vendors/others | | | 600,000 | | 14,07,255 | |
| | Less:- Allowance for doubtful advances | | | 600,000 | | 14,07,255 | |
| | | | | | - | - | |
| | | | | 33,33,251 | | 87,01,629 | |
| 15 | <u>INCOME TAX ASSETS (net)</u> | | | | | | |
| | Advance Tax / TDS less provisions | | | 5,55,937 | | 5,30,936 | |
| | | | | 5,55,937 | | 5,30,936 | |
| 16 | <u>EQUITY SHARE CAPITAL</u> | | | | | | |
| (a) | <u>AUTHORISED:</u> | | | | | | |
| | 32,50,000 (32,50,000) Equity Shares of Rs. 10/- each | | | 3,25,00,000 | | 3,25,00,000 | |
| | | | | 3,25,00,000 | | 3,25,00,000 | |

(b) **ISSUED, SUBSCRIBED AND FULLY PAID**

| | | |
|---|--------------------|--------------------|
| 32,27,433 (32,27,433) Equity Shares of Rs.10/- each | 3,22,74,330 | 3,22,74,330 |
| | 3,22,74,330 | 3,22,74,330 |

(c) **The reconciliation of the number of shares outstanding is set out below:**

| | | |
|--|-----------|-----------|
| Equity Shares of Rs.10/- each at the beginning of the year | 32,27,433 | 32,27,433 |
| Equity Shares of Rs.10/- each at the end of the year | 32,27,433 | 32,27,433 |

(d) **The Company has only one class of equity shares. These shares rank pari passu in all respects including voting rights, entitlement to dividend and distribution of assets of the Company in the event of liquidation.**

(e) **The details of Shareholders holding more than 5% shares**

| Name of the Shareholder | No of Shares | % | No of Shares | % |
|--------------------------------|---------------------|----------|---------------------|----------|
| Mr. Jayesh R. Mehta | 8,13,394 | 25.20 | 8,38,418 | 25.98 |
| Mrs. Amita J. Mehta | 5,51,925 | 17.10 | 5,51,925 | 17.10 |

| (f) | Shares held by promoters at the end of the year | As at 31-03-2025 | | |
|------------|--|-------------------------|--------------------------|---------------------------------|
| | Name of Promoter | No. of Shares | % of total shares | % change during the year |
| | Jayesh R. Mehta | 8,13,394 | 25.20% | (0.03%) |
| | Amita J. Mehta | 5,51,925 | 17.10% | - |
| | Perna Karan Khanna | 13,400 | 0.42% | - |
| | Chandni Chintan Bhagat | 12,500 | 0.39% | - |
| | J.R. Auto Components Pvt Ltd | 84,442 | 2.62% | - |
| | Total | 14,75,661 | 45.72% | |
| | | | | |
| | Shares held by promoters at the end of the year | As at 31-03-2024 | | |
| | Name of Promoter | No. of Shares | % of total shares | % change during the year |
| | Jayesh R. Mehta | 8,38,418 | 25.98% | - |
| | Amita J. Mehta | 5,51,925 | 17.10% | - |
| | Perna Karan Khanna | 13,400 | 0.42% | - |
| | Chandni Chintan Bhagat | 12,500 | 0.39% | - |
| | J.R. Auto Components Pvt Ltd | 84,442 | 2.62% | - |
| | Total | 15,00,685 | 46.50% | |

17 **OTHER EQUITY**

Reserves & Surplus

a) **Capital Reserve**

| | | |
|-----------------|-----------|-----------|
| Opening Balance | 41,02,941 | 41,02,941 |
| Closing Balance | 41,02,941 | 41,02,941 |

b) **Retained Earnings**

| | | |
|--------------------------|-------------|-------------|
| Opening Balance | 5,15,64,298 | 3,42,69,773 |
| Add: Profit for the year | 1,42,71,416 | 1,72,94,525 |

| | | |
|-----------------|--------------------|--------------------|
| Closing Balance | 6,58,35,714 | 5,15,64,298 |
| | 6,99,38,655 | 5,56,67,239 |

18 NON-CURRENT BORROWINGS

| | | |
|------------------------|------------------|----------|
| Secured : | | |
| Vehicle Loan from Bank | 1,169,342 | - |
| | 1,169,342 | - |

18.1 Non-current borrowings and current maturities of non-current borrowings include :

Vehicle Loan from ICICI Bank Ltd of Rs.14,47,681/- (2024-Rs.Nil) secured by way of hypothecation of vehicle at the rate of interest of 9.40% p.a. repayable in 60 equated monthly instalments.

18.2 Repayment Schedule and Interest rate of Term Loans from banks are set out below :

| <u>Rate of Interest</u> | <u>0-1 Year</u> | <u>1-2 Years</u> | <u>2-3 Years</u> | <u>Above 3 years</u> |
|-------------------------|-----------------|----------------------|------------------|--------------------------|
| <u>9.40%</u> | 278,339 | 295,691 | 319,825 | 553,826 |

19 NON-CURRENT LEASE LIABILITIES

| | | |
|-------------------|----------|------------------|
| Lease Liabilities | - | 10,71,760 |
| | - | 10,71,760 |

(a) The following is the movement in lease liabilities during the year ended 31st March

| | | |
|--|------------------|------------------|
| Balance as at beginning | 35,84,750 | 51,30,501 |
| Additions | - | 25,98,348 |
| Finance cost accrued during the period | 1,24,224 | 3,84,785 |
| Deletions | (8,69,758) | (12,83,006) |
| Payment of lease liabilities | (17,45,288) | (32,45,879) |
| Balance at the end | 10,93,928 | 35,84,750 |

(b) Maturity analysis of lease liabilities

| | | |
|--|------------------|------------------|
| Contractual undiscounted cash flows | | |
| Less than one year | 11,18,410 | 26,27,288 |
| One to five years | - | 11,18,410 |
| More than five years | - | - |
| Total undiscounted lease liabilities at 31st March | 11,18,410 | 37,45,698 |
| Lease liabilities included in the Statement of Financial position as at 31st March | 10,93,928 | 35,84,750 |
| Current | 10,93,928 | 25,12,990 |
| Non-Current | - | 10,71,760 |

(c) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

20 **OTHER NON- CURRENT FINANCIAL LIABILITIES**

| | | |
|--|-----------------|-----------------|
| Security Deposit measured at amortised costs | 3,61,005 | 4,39,482 |
| | 3,61,005 | 4,39,482 |

21 **PROVISIONS**

| | | |
|--------------|-----------------|-----------------|
| For Gratuity | 5,25,812 | 4,79,820 |
| | 5,25,812 | 4,79,820 |

22 **SHORT TERM BORROWINGS**

Current Maturity of Secured Long-term borrowings:

| | | |
|------------------------|-----------------|----------|
| Vehicle loan from Bank | 2,78,339 | - |
| (Refer note no. 18.1) | | |
| | 2,78,339 | - |

23 **CURRENT LEASE LIABILITIES**

| | | |
|---------------------------------------|------------------|------------------|
| Lease Liabilities (Refer note No. 19) | 10,93,928 | 25,12,990 |
| | 10,93,928 | 25,12,990 |

24 **TRADE PAYABLES**

| | | |
|--|--------------------|--------------------|
| Outstanding dues to micro enterprises & small enterprises | 76,898 | - |
| Outstanding dues of creditors other than micro enterprises & small enterprises | 9,49,89,623 | 2,18,63,264 |
| | 9,50,66,521 | 2,18,63,264 |

(Refer note No. 41 for additional information under the MSMED Act, 2006)

24.1 **Trade Payables ageing schedule -**

Outstanding for following periods from due date of payment - As at 31-03-

| Particulars | 2025 | | | | | Total |
|----------------------------|--------------------|------------------|-----------|-------------------|----------|--------------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | | |
| i. MSME | 76,898 | - | - | - | - | 76,898 |
| ii. Others | 9,37,04,804 | 11,93,042 | - | - | - | 9,48,97,846 |
| iii. Disputed Dues - MSME | - | - | - | - | - | - |
| iv. Disputed Dues - Others | - | - | - | - | - | - |
| Total:- | 9,37,81,702 | 11,93,042 | - | - | - | 9,49,74,744 |

Outstanding for following periods from due date of payment - As at 31-03-

| Particulars | 2024 | | | | | Total |
|----------------------------|--------------------|-----------|-----------|-------------------|----------|--------------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | | |
| i. MSME | - | - | - | - | - | - |
| ii. Others | 2,18,20,781 | - | - | 42,483 | - | 2,18,63,264 |
| iii. Disputed Dues - MSME | - | - | - | - | - | - |
| iv. Disputed Dues - Others | - | - | - | - | - | - |
| Total:- | 2,18,20,781 | - | - | 42,483 | - | 2,18,63,264 |

25 OTHER CURRENT LIABILITIES

| | | |
|----------------------------------|--------------------|--------------------|
| Advances received from customers | 2,27,27,357 | 5,06,99,451 |
| Statutory Dues payable | 8,91,510 | 13,53,923 |
| Others | 1,37,477 | 58,409 |
| Interest Accrued but not due | 11,342 | - |
| | 2,37,67,686 | 5,21,11,783 |

26 CURRENT INCOME-TAX

| | | |
|-----------------------|-----------------|-----------------|
| Income-tax Provisions | 2,97,023 | 9,74,895 |
| | 2,97,023 | 9,74,895 |

27 REVENUE FROM OPERATIONS

| | | |
|-------------------|-----------------------|-----------------------|
| Sales of Products | 2,00,97,17,792 | 1,65,92,70,966 |
| Sales of Services | 1,44,289 | - |
| | 2,00,98,62,081 | 1,65,92,70,966 |

27.1 PARTICULARS OF SALE OF PRODUCTS

| | | |
|-------------------|-----------------------|-----------------------|
| Engineering Goods | 2,00,97,17,792 | 1,65,92,70,966 |
| | 2,00,97,17,792 | 1,65,92,70,966 |

27.2 PARTICULARS OF SALE OF SERVICES

| | | |
|----------------------|-----------------|---|
| Engineering Services | 1,44,289 | - |
| | 1,44,289 | - |

28 OTHER INCOME:

Interest Income:

| | | |
|------------------------|-----------|-----------|
| on Bank Fixed Deposits | 9,79,127 | 4,80,742 |
| on Loans | 23,41,208 | 30,14,497 |

| | | |
|--------------------------------|-------|--------|
| on Unwinding | 9,663 | 24,122 |
| Foreign Exchange gains - (Net) | - | 20,317 |

| | | |
|--|--------------------|------------------|
| Profit on sale of FVTPL Investments | 41,07,337 | 34,35,356 |
| Rent Income | 14,46,348 | 15,38,881 |
| Commission Income | 41,19,502 | - |
| Dividend on FVTPL Investments | 1,96,060 | 31,060 |
| Miscellaneous Income | 73 | - |
| Cancellation of Lease | 63,318 | 38,079 |
| Sundry Balance W/off | 23,72,407 | 1,21,171 |
| Allowance for Credit loss no longer required | 25,79,935 | - |
| | 1,82,14,978 | 87,04,224 |

29 PURCHASES OF STOCK-IN-TRADE

| | | |
|-------------------|----------------|----------------|
| Engineering Goods | 1,94,89,64,004 | 1,58,18,85,688 |
|-------------------|----------------|----------------|

| | | |
|--|------------------|--------------------|
| | 1,94,89,64,004 | 1,58,18,85,688 |
| 30 CHANGES IN INVENTORIES OF STOCK-IN-TRADE | | |
| Opening Stock | | |
| Stock-in-trade | 2,95,09,866 | 5,18,99,335 |
| Less: Closing Stock: | | |
| Stock-in-trade (including goods-in-transit) | 2,59,07,756 | 2,95,09,866 |
| | 36,02,110 | 2,23,89,469 |
| 31 EMPLOYEE BENEFITS EXPENSES | | |
| Salaries, Wages, Bonus etc. | 85,02,436 | 57,89,849 |
| Contribution to Provident Fund and other funds | 1,01,938 | 60,264 |
| Employees Welfare Expenses | 6,92,874 | 5,35,037 |
| | 92,97,248 | 63,85,150 |
| 32 FINANCE COSTS | | |
| Interest Expenses | 80,430 | - |
| Interest on lease liabilities | 1,24,224 | 3,84,785 |
| Interest on Financial Liability (SD) | 25,902 | 28,609 |
| | 2,30,557 | 4,13,394 |
| 33 OTHER EXPENSES | | |
| Bank Charges | 8,111 | 8,278 |
| Clearing, Forwarding & Freight | - | 95,000 |
| Commission on sales | 2,02,28,144 | 1,77,23,046 |
| Travelling & Conveyance | 20,39,847 | 19,63,847 |
| Telephone, Postage & Telegram | 1,26,889 | 22,295 |
| Electricity Charges | 1,02,964 | 84,379 |
| Sales Promotion & Advertisement | 5,61,152 | 8,77,169 |
| Insurance | 29,437 | 29,804 |
| Legal & Professional Charges | 7,70,644 | 4,81,600 |
| Rent | 12,26,339 | 11,80,844 |
| Rates & taxes | 1,31,559 | 1,35,877 |
| Repairs - Others | 1,40,547 | 94,004 |
| General Expenses | 18,55,480 | 14,09,420 |
| GST Expenses/Interest | 31,817 | 2,01,403 |
| Payment to Auditors: | | |
| - As Auditor | 2,25,500 | 2,25,500 |
| Securities Transaction Tax | 5,66,110 | 2,45,076 |
| Loss on sale of Vehicle | 8,552 | - |
| Foreign Exchange Loss - (Net) | 2,404 | - |
| Changes in Fair Market Value | 1,30,59,056 | 31,23,132 |
| Bad debts written off / Business Loss | 17,96,195 | - |
| Allowance for Credit loss no longer required | - | 13,83,740 |
| Interest on MSME overdue | 5,528 | - |
| Discount on Financial Assets | 14,289 | - |

| | | | |
|-----|--|------------------|------------------|
| | | 4,29,30,564 | 2,92,84,414 |
| 34 | TAX EXPENSE | | |
| (a) | Income tax | | |
| | Tax on profits for the year | 80,23,444 | 71,37,647 |
| | Tax for prior year | 3,47,242 | 24,674 |
| | Total income tax | 83,70,685 | 71,62,321 |
| (b) | Deferred tax | | |
| | Decrease / (Increase) in deferred tax assets | (21,17,890) | (9,31,587) |
| | (Decrease) / Increase in deferred tax liabilities | 2,21,286 | 2,67,885 |
| | Total deferred tax expense/(benefit) | (18,96,604) | (6,63,702) |
| | Total tax expense | 64,74,082 | 64,98,620 |
| (c) | Reconciliation of tax expense and the accounting profit multiplied by tax rate: | | |
| | Profit before income tax expenses | 2,07,45,497 | 2,37,93,145 |
| | Tax at the current tax rate (@ 25.168%) | 52,21,227 | 59,88,259 |
| | Tax effect of expenses which are not deductible: | 7,01,559 | 3,53,879 |
| | Difference in tax on change in FVTPL Investments | 2,98,791 | 2,50,100 |
| | Tax effect due to Ind AS adjustments | (18,569) | 40,614 |
| | Tax for prior year | 3,47,242 | 24,674 |
| | Difference in tax on capital loss/(gain) on securities | (46,564) | (1,58,908) |
| | Other Miscellaneous Items | (29,605) | - |
| | Total tax expenses | 64,74,082 | 64,98,620 |
| 35 | EARNINGS PER SHARE:- BASIC AND DILUTED | | |
| a) | Profit after tax | Rs. 1,42,71,416 | 1,72,94,525 |
| b) | Weighted Average Number of Equity shares outstanding | Nos. 32,27,433 | 32,27,433 |
| c) | The nominal value per Equity Share | Rs. 10 | 10 |
| d) | Earnings per Share –Basic & Diluted | Rs. 4.42 | 5.36 |

3
6 **FAIR VALUE MEASUREMENTS**

| Financial instruments by category | | As at 31-03-2025 | | As at 31-03-2024 | |
|--|-------------|-------------------------|-----------------------|-------------------------|-----------------------|
| | | FVTPL | Amortised cost | FVTPL | Amortised cost |
| Financial Assets | | | | | |
| Investments | | | | | |
| Equity instrument | 4,20,23,625 | - | 1,97,41,175 | - | |
| Trade receivables | - | 5,10,62,016 | - | 3,27,48,524 | |
| Cash & Cash Equivalents | - | 3,41,04,199 | - | 2,57,11,874 | |
| Non-Current Bank Deposits | - | - | - | 65,00,000 | |
| Other Bank Balances | - | 7,11,638 | - | 16,61,638 | |
| Security Deposits | - | 99,850 | - | 3,55,122 | |
| Loans to Employees | - | 65,000 | - | 14,852 | |

| | | | | |
|----------------------------|-------------|--------------|-------------|-------------|
| Loans to Related Party | - | - | - | 85,00,000 |
| Loans | - | 4,07,50,000 | - | 68,50,000 |
| Total Financial Assets | 4,20,23,625 | 12,67,92,703 | 1,97,41,175 | 8,23,42,009 |
| Financial Liability | | | | |
| Trade payables | | 9,50,66,521 | - | 2,18,63,264 |
| Borrowings | | 14,47,681 | - | - |
| Lease Liabilities | | 10,93,928 | - | 35,84,750 |
| Security Deposits | | 3,61,005 | - | 4,39,482 |
| Total Financial Liability | | 9,79,69,135 | - | 2,58,87,496 |

| 37. FAIR VALUE HIERARCHY | | | | | |
|--|------------------------------|--|--|--|-------------|
| (i) Quantitative disclosures of fair value measurement hierarchy for assets and liabilities as at 31-03-2025: | | | | | |
| | Fair value measurement using | | | | |
| | Date of valuation | Quoted price in active market level(1) | Significant observable inputs level(2) | Significant unobservable inputs level(3) | Total |
| Financial Assets | | | | | |
| Equity instruments measured at FVTPL | 31-03-2025 | 4,20,23,625 | | | 4,20,23,625 |
| Financial Assets at amortised cost | | | | | |
| Trade Receivables | 31-03-2025 | | 5,10,62,016 | | 5,10,62,016 |
| Cash & Cash Equivalents | 31-03-2025 | | 3,41,04,199 | | 3,41,04,199 |
| Other Bank Balances | 31-03-2025 | | 7,11,638 | | 7,11,638 |
| Security Deposits | 31-03-2025 | | 99,850 | | 99,850 |
| Loans to Employees | 31-03-2025 | | 65,000 | | 65,000 |
| Loans | 31-03-2025 | | 4,07,50,000 | | 4,07,50,000 |
| Financial Liabilities at amortised cost | | | | | |
| Borrowing | 31-03-2025 | | 14,47,681 | | 14,47,681 |
| Trade payable | 31-03-2025 | | 9,50,66,521 | | 9,50,66,521 |
| Lease Liabilities | 31-03-2025 | | 10,93,928 | | 10,93,928 |
| Security Deposits | 31-03-2025 | | 3,61,005 | | 3,61,005 |
| (ii) Quantitative disclosures of fair value measurement hierarchy for assets and liabilities as at 31-03-2024: | | | | | |
| Fair value measurement using | | | | | |

| | Date of valuation | Quoted price in active market level (1) | Significant observable inputs level (2) | Significant unobservable inputs level (3) | Total |
|--|-------------------|---|---|---|-------------|
| Financial Assets | | | | | |
| Equity instruments measured at FVTPL | 31-03-2024 | 1,97,41,175 | | | 1,97,41,175 |
| Financial Assets at amortised cost | | | | | |
| Trade Receivables | 31-03-2024 | | 3,27,48,524 | | 3,27,48,524 |
| Cash & Cash Equivalents | 31-03-2024 | | 2,57,11,874 | | 2,57,11,874 |
| Other Bank Balances | 31-03-2024 | | 16,61,638 | | 16,61,638 |
| Security Deposits | 31-03-2024 | | 3,55,122 | | 3,55,122 |
| Loans to Employees | 31-03-2024 | | 14,852 | | 14,852 |
| Loans to Related Party | 31-03-2024 | | 85,00,000 | | 85,00,000 |
| Loans | 31-03-2024 | | 68,50,000 | | 68,50,000 |
| Financial Liabilities at amortised cost | | | | | |
| Trade payable | 31-03-2024 | | 2,18,63,264 | | 2,18,63,264 |
| Lease Liabilities | 31-03-2024 | | 35,84,750 | | 35,84,750 |
| Security Deposits | 31-03-2024 | | 4,39,482 | | 4,39,482 |

Level 1: Level 1 hierarchy includes Financial Instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. Fair value of mutual funds is determined based on the closing NAV.

Level 2: The fair value of Financial Instruments that are not traded in an active market is determined using valuation techniques which maximizes the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, security deposits included in level 3.

38 FINANCIAL RISK MANAGEMENT

The Company’s activities exposes it to market risks (including currency risk, interest rate risk and other price risk), liquidity risk, credit risk and other risks. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

The Company’s risk management is carried out by chief financial officer under policies approved by the Board of Directors. The Company's chief financial officer identifies, evaluates and hedges financial risks in close co-operation with the Company’s operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of non-derivative financial instruments and investment of excess liquidity The risk management includes identification, evaluation and identifying the best possible option to reduce such risk. The Board has taken all necessary actions to mitigate the risks identified on the basis of the information and situation present.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: currency risk, interest rate risk and other price risk. Financial instruments affected by market risk include borrowings, trade payables, trade receivables, loans and non-derivative financial instruments.

(i) Foreign currency risk

Foreign currency risk arises from future commercial transactions and recognized assets or liabilities denominated in a currency that is not the Company’s functional currency (INR). This is closely monitored by the Management to decide on the requirement of hedging.

The position of foreign currency exposure to the Company as at the end of the year expressed in INR are as follows :

| | 31-03-2025 | 31-03-2024 | 31-03-2024 | 31-03-2023 | 31-03-2025 | 31-03-2024 |
|-----------------------------------|--------------|--------------|------------|------------|-----------------|-----------------|
| Currency | Asset | Asset | Liability | Liability | Net Receivable/ | Net Receivable/ |
| | (Receivable) | (Receivable) | (Payable) | (Payable) | (Payable) | (Payable) |
| Euro | 74,021 | 72,028 | - | - | 74,021 | 72,028 |
| GBP | 17,412 | 16,608 | - | - | 17,412 | 16,608 |
| USD | 21,359 | 20,846 | - | - | 21,359 | 20,846 |
| | | | | | | |
| Exposure to foreign currency risk | 1,12,792 | 1,09,482 | - | - | 1,12,792 | 1,09,482 |
| | | | | | | |

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

| | <u>Impact on profit Increase/(Decrease)</u> | |
|--------------------------|---|-----------------------|
| | <u>March 31, 2025</u> | <u>March 31, 2024</u> |
| EURO sensitivity | | |
| INR/EURO Increases by 5% | 3,701 | 3,601 |
| INR/EURO Decreases by 5% | (3,701) | (3,601) |
| GBP sensitivity | | |
| INR/EURO Increases by 5% | 871 | 830 |
| INR/EURO Decreases by 5% | (871) | (830) |
| USD sensitivity | | |
| INR/EURO Increases by 5% | 1,068 | 1,042 |
| INR/EURO Decreases by 5% | (1,068) | (1,042) |

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has given loans at fixed rate of interest and hence it is not exposed to interest rate risk.

(iii) Price Risk

(B) Credit risk

Credit risk arises when a counter party defaults on contractual obligations resulting in financial loss to the Company. In order to mitigate the risk of financial loss from defaulters, the Company has an ongoing credit evaluation process in respect of customers who are allowed credit period. In respect of walk-in customers the Company does not allow any credit period and therefore, is not exposed to any credit risk. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 90 days past due.

(C) Liquidity risk

The Company has sufficient cash and cash equivalents and other liquid current financial assets which can be easily realised in cash or cash equivalents in short time. Therefore, there is no significant liquidity risk.

Maturities of Financial Liabilities

The tables below analyse the Company's Financial Liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

| | Not later than 1 year | Between 1 to 5 years | Later than 5 years | Total |
|------------------------|--------------------------|-------------------------|-----------------------|--------------------|
| 31-03-2025 | | | | |
| Non-derivatives | | | | |
| Borrowing | 2,78,339 | 11,69,342 | - | 14,47,681 |
| Trade Payables | 9,50,66,521 | - | - | - |
| Lease Liabilities | 10,93,928 | - | - | 10,93,928 |
| Security Deposit | - | 3,61,005 | - | 3,61,005 |
| | 9,64,38,788 | 15,30,347 | - | 9,79,69,135 |
| 31-03-2024 | | | | |
| Non-derivatives | | | | |
| Trade Payables | 2,18,63,264 | - | - | 2,18,63,264 |
| Lease Liabilities | 25,12,990 | 10,71,760 | - | 35,84,750 |
| Security Deposit | - | 4,39,482 | - | 4,39,482 |
| | 2,43,76,254 | 15,11,242 | - | 2,58,87,496 |

39 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, equity includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholders value. The Company's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximize shareholders' value. The Company is monitoring capital using debt equity ratio as its base, which is debt to equity. The Company's policy is to keep debt equity ratio below one and infuse capital if and when it is required through issue of new shares and/or better operational results and efficient working capital management.

There is constant endeavour to reduce debt as much as feasible and practical by improving operational and working capital management.

Debt-to-equity ratio are as follows:

| | 31-03-25 | 31-03-24 |
|-------------------|-------------|------------|
| Debt (A) | 1,447,681 | - |
| Equity (B) | 102,212,985 | 87,941,569 |
| Debt/Equity (A/B) | 0.01 | - |

40. Movement in Deferred Tax Liabilities / (Assets)

| Particulars | As on 31-03-2023 | Charge/(Credit) to Statement of P&L | Charge/(Credit) to OCI | As on 31-03-2024 | Charge/(Credit) to Statement of P&L | Charge / (Credit) to OCI | As on 31-03-2025 |
|--|--------------------|-------------------------------------|------------------------|------------------|-------------------------------------|---------------------------|------------------|
| | | 2023-24 | 2023-24 | | 2024-25 | 2024-25 | |
| Deferred Tax Assets – | | | | | | | |
| Expenses allowable on payment basis under Tax Laws | 145,139 | 47,397 | - | 192,536 | 66,391 | - | 258,927 |
| Allowance for doubtful debts / advances | 452,066 | 348,260 | - | 800,326 | (649,318) | - | 151,008 |
| Others | - | 535,929 | | 535,929 | 2,700,817 | | 3,236,746 |
| | 597,205 | 931,586 | - | 1,528,792 | 2,117,890 | - | 3,646,681 |
| Deferred Tax Liability – | | | | | | | |
| Timing difference on account of depreciation | 1,883,287 | 267,885 | - | 2,151,172 | 221,286 | - | 2,372,459 |
| | 1,883,287 | 267,885 | - | 2,151,172 | 221,286 | - | 2,372,459 |
| Net Deferred Tax Assets | (1,286,082) | 663,701 | - | (622,381) | 1,896,603 | - | 1,274,223 |

41. Additional information in terms of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 in respect of amount outstanding to Micro and Small Enterprises based on the information available with the Company are given below :-

| | 31-03-2025 | 31-03-2024 |
|---|------------|------------|
| i) Principal amount remaining unpaid on | 71,370 | Nil |
| ii) Interest due thereon as on | 5,528 | Nil |
| iii) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, alongwith the amount of the payment made to the supplier beyond the appointed day during the year. | Nil | Nil |
| iv) Interest due and payable for the period of delay in making payment (which have been paid but beyond the day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006. | Nil | Nil |
| v) Interest accrued and remaining unpaid as at | 5,528 | Nil |
| vi) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises. | Nil | Nil |

42. VALUE OF IMPORTS ON CIF BASIS

| | 2024-25 (Rs.) | 2023-24 (Rs.) |
|-------------------|------------------|------------------|
| Engineering Goods | Nil | 9,15,300 |

43. EXPENDITURE IN FOREIGN CURRENCY (on accrual basis)

| | | |
|--------------------|----------|----------|
| Foreign Travelling | 2,08,980 | 6,52,293 |
|--------------------|----------|----------|

44. EMPLOYEE BENEFITS:

I. Defined Benefits Plans

The Company has provided for bonus amounting to Rs.4,31,612/- (Previous year Rs.2,85,184/-) for all its employees under the Payment of Bonus Act, 1965 which has been recognized in the Statement of Profit & Loss for the year.

The Company has provided for Gratuity amounting to Rs. 45,992/- (Previous year Rs.1,76,733/-) for its eligible employees under the Payment of Gratuity Act, 1972 which has been recognized in the Statement of Profit & Loss for the year.

f

a) Employers' Contribution to Provident Fund/Pension Scheme

During the year, the Company has recognized the following amounts as expenses in the Statement of Profit and Loss –

| | 2024-25 Rs. | 2023-24 Rs. |
|---|----------------|----------------|
| - Employers' Contribution to Provident Fund/ Pension Scheme | 92,094 | 52,092 |

45. LEASE

Amounts recognized in the Statement of Profit & Loss

| | 2024-25 Rs. | 2023-24 Rs. |
|---|----------------|----------------|
| (i) Rental expense for small value or short-term operating leases | 12,20,040 | 11,61,948 |
| (ii) Interest on Lease Liabilities | 1,24,224 | 3,84,785 |
| (iii) Depreciation on Right of Use Assets | 16,00,268 | 30,93,086 |
| (iv) Rental income from operating leases | 14,18,750 | 15,38,881 |

46. SEGMENT REPORTING

The Company is primarily engaged in the business of trading in engineering goods and related items, which as per Indian Accounting Standard–108 on 'Operating Segments' is considered to be the only reportable business segment. The Company is operating in India which is considered as a single geographical segment.

47. DISCLOSURE OF RELATED PARTIES AS PER THE REQUIREMENT IND AS 24

a) Companies / Enterprises in which Key Management Personnel having significant influence and with whom transactions have taken place during the year and/or where balances exist:

i) Candour Techtex Limited

b) Key Management Personnel:

ANNUAL REPORT 2024 - 2025
CHANDNI MACHINES LIMITED

- i) Mr. Jayesh R. Mehta – Managing Director
- ii) Mr. Bharat K. Shah – Director and Chief Financial Officer(Resigned w.e.f. 06-08-2024)
- iii) Ms. Neelam Devani – Company Secretary & Compliance officer (Resigned w.e.f. 19-12-2024)
- iv) Mrs. Amita J. Mehta – Executive Director (w.e.f 08-08-2024)
- v) Mr. Saroj Kumar Mohanta – Chief Financial Officer (w.e.f. 04-11-2024)

c) Relatives of Key Management Personnel & Other Related parties:

- i) Dr. Bharat Bhatia – Independent Director (Resigned w.e.f. 08-07-2025)
- ii) Mr. R.C. Garg – Independent Director
- iii) Mr. Richie Amin – Independent Director

d) Transactions during the year and Balance outstanding at the year end with related parties.

| <u>Nature of Transactions</u> | <u>Key-management Personnel</u> | | <u>Relatives of Key Management personnel & Non-Executive Directors</u> | | <u>Companies/Enterprises in which Key Management personnel have significant influence</u> | |
|---|---------------------------------|------------|--|------------|---|-------------|
| | 31-03-2025 | 31-03-2024 | 31-03-2025 | 31-03-2024 | 31-03-2025 | 31-03-2024 |
| <u>Sale of goods</u> | | | | | | |
| Candour Techtex Limited | | | | | Nil | 1,69,76,000 |
| <u>Rent / Lease Obligation paid</u> | | | | | | |
| Candour Techtex Limited | | | | | 20,43,428 | 19,45,827 |
| <u>Interest Received</u> | | | | | | |
| Candour Techtex Limited | | | | | 1,36,233 | 11,92,780 |
| <u>Director Remuneration</u> | | | | | | |
| Mr. J. R. Mehta | 5,40,000 | 5,40,000 | | | | |
| Mrs. Amita J. Mehta | 13,20,000 | Nil | | | | |
| <u>Directors Sitting Fees</u> | | | | | | |
| Mrs. Amita J. Mehta | | | Nil | 20,000 | | |
| Dr. Bharat Bhatia | | | 40,000 | 40,000 | | |
| Mr. R.C. Garg | | | 40,000 | 40,000 | | |
| Mr. Bharat Shah | | | 5,000 | 20,000 | | |
| Mr. Richie Amin | | | 20,000 | 20,000 | | |
| <u>Salary & Bonus</u> | | | | | | |
| Ms. Neelam Devani | 1,29,194 | 1,80,000 | | | | |
| Mr. Saroj Kumar Mohanta | 6,81,876 | Nil | | | | |
| <u>Loan Given</u> | | | | | | |
| Candour Techtex Limited | | | | | Nil | 3,56,42,880 |
| <u>Loan received back</u> | | | | | | |
| Candour Techtex Limited | | | | | 85,00,000 | 2,71,42,880 |
| <u>Outstanding at the year end:-</u> | | | | | | |
| i. Trade Receivable | | | | | | |

ANNUAL REPORT 2024 - 2025
CHANDNI MACHINES LIMITED

| | | |
|-------------------------|----------|-------------|
| Candour Techtex Limited | Nil | 2,00,00,000 |
| ii. Trade Payable | | |
| Candour Techtex Limited | 5,55,414 | Nil |
| iii. Unsecured Loans | | |
| Candour Techtex Limited | Nil | 85,00,000 |

48. ADDITIONAL REGULATORY INFORMATION (TO THE EXTENT APPLICABLE) AS PER MCA'S NOTIFICATION NO. G.S.R. 207(E) DATED 24-03-2021

(i) Title deed of Immovable property not held in name of the company

The Company is the owner of Office Premises the title deeds of which is held in the name of the Company

The Company has taken certain premises on lease and the lease agreements are duly executed in favour of the Company.

(ii) Fair valuation of investment property

The fair value of the investment property is not based on the valuation by a registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. However, the above valuation of the investment properties are in accordance with the Ready Reckoner rates prescribed by the Government of Maharashtra for the purpose of levying stamp duty.

(iii) Revaluation of Property, Plant & Equipment and Right of Use Assets

The Company has not revalued its Property, Plant & Equipment and Right of Use Assets during the year.

(iv) Revaluation of Intangible assets

The Company does not own any Intangible Assets during the year.

(v) Loans and advances to Specified Persons.

The Company has not granted any loans or Advances in nature of loans to Specified Persons, namely Promoters, Directors, KMP's & Related Parties which are repayable on demand or without specifying any terms or period of repayment.

(vi) Capital - Work in Progress ageing Schedule
Capital - Work in Progress Completion Schedule

There is no Capital Work-in-Progress as on the date of the Balance Sheet.

(vii) Intangible assets under development Completion Schedule

There is no intangible assets under development as on the date of Balance Sheet.

(viii) Details of Benami Property held

The Company does not hold any Benami Property.
No proceedings have been initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibitions) Act, 1988 and Rules made there under, during the year.

(ix) Borrowings secured against current assets

The company has not availed any borrowings from banks or financial institutions on the basis of security of current assets during the year.

(x) Willful Defaulter

The Company is not declared as wilful defaulter by any Bank or Financial Institutions or other lenders during the year.

(xi) Transaction with Struck off Companies

The Company has not entered into any transactions with struck-off Companies

(xii) Registration of Charges or satisfaction with Registrar of Companies

The Company has not availed any loans or borrowings against security of its assets except term loan against hypothecation of vehicle for which charge is recorded in RC Book of Road Transport Authority.

(xiii) Compliance with number of layers of Companies.

The Company does not have any subsidiary Company

(xiv) Compliance with approved Scheme(s) of Arrangements

The Company has not made any scheme of arrangements in terms of sections 230 to 237 of the Companies Act, 2013 during the year.

(xv) Utilisation of Borrowed funds and share premium:

(a) No funds have been advanced / loaned / invested (from borrowed funds or from share premium or from any other sources / kind of funds) by the Company 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) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding (whether recorded in writing or otherwise) that the Company shall (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.

(xvi) Undisclosed income

The Company has not surrendered or disclosed any income during the year in the tax assessments under the Income Tax Act, 1961 which were not recorded in the books of accounts.

(xvii) Corporate Social Responsibility (CSR)

The provisions of section 135 of the Companies Act relating to CSR are not applicable to the Company during year.

(xviii) Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

ADDITIONAL REGULATORY INFORMATION (TO THE EXTENT APPLICABLE) AS PER MCA'S
NOTIFICATION NO. G.S.R. 207(E) DATED 24-03-2021

(xix) Ratios

| Ratios | Numerator | Denominator | Current Year | Previous Year | Variation | Explanation for changes in ratio exceeding 25% |
|--|--------------------------------------|--|--------------|---------------|-----------|---|
| Current ratio (in times) | Total current assets | Total current liabilities | 1.296 | 1.36 | -5.06% | |
| Debt service coverage ratio (in times) | Net Operating Income | Total debt service (Interest + Lease payments) | 9.636 | 6.63 | 45.26% | Higher debt service coverage ratio is on account of lower finance cost. |
| Return on equity ratio (in %) | Earning for equity shareholder | Average shareholders equity | 15% | 21.81% | -31.18% | Lower net profit has resulted in lower return on equity ratio |
| Inventory turnover ratio (in times) | Revenue from operations | Average inventory | 72.535 | 40.76 | 77.94% | Ratio has decreased due to increase in Revenue as compared to previous year. |
| Trade receivable turnover ratio (in times) | Revenue from operations | Average Trade receivable | 47.962 | 97.42 | -50.77% | Increase in average accounts receivable, reflecting delayed collection of dues from debtors together with disproportionate increase in net credit sales is the reason for higher debtor turnover ratio |
| Trade payables turnover ratio (in times) | Total purchases | Average Trade payables | 33.336 | 133.58 | -75.04% | Deterioration in trade payable turnover ratio is attributable to disproportionate increase in credit purchases on the one hand and higher average trade payable on the other hand indicating delayed payment of dues to creditors |
| Net capital turnover ratio (in times) | Revenue from operations | Average working capital | 62.782 | 45.11 | 39.17% | Ratio has increased due to increase in revenue from operations and decrease in average working capital. |
| Net profit ratio (in %) | Profit for the year | Revenue from operations | 0.71% | 1.04% | -31.87% | Decrease in sales and lower margin has resulted in fall in net profit margin. |
| Return on capital employed (in %) | Profit before tax and finance costs | Capital Employed | 20.52% | 27.53% | -25.44% | Return on capital employed has decreased due to fall in profitability on account of higher costs resulting in lower Earning before interest and tax |
| Return on investment (in %) | Income generated from invested funds | Average invested funds | 0.63% | 0.31% | 101.75% | Return on investments has increased on account of higher returns due to increased investments. |

49. CONTINGENT LIABILITY

Claims against the Company not acknowledged as debts represent suits filed by parties and disputed by the Company Rs. 1,72,000/- (Previous Year Rs. 22,58,385/-)

50. The previous year's figures are grouped / regrouped or arranged / rearranged wherever necessary to make them comparable with the current period’s figures.

As per our report of even date
For Ambavat Jain & Associates LLP
Firm Registration No. 109681W

On behalf of the Board

Ashish J. Jain
Partner
Membership No. 111829

J.R. Mehta
Managing Director
DIN 00193029

R.C. Garg
Director
DIN 03346742

Saroj Mohanta
Chief Financial Officer

Komal Nandu
Company Secretary
Membership No. A65568

Place: Mumbai
Date: 23-05-2025

Place: Mumbai
Date: 23-05-2025