

HEM HOLDINGS AND TRADING LIMITED

REGD.OFF. UNIT NO V-348, THE CENTRIUM, 3RD FLOOR, KURLA KIROL,
LBS, KURLA, MUMBAI, MAHARASHTRA, INDIA, 400070, TEL NO. 40034768

Email: compliance@hemholdings.com / investors@hemholdings.com

CIN: L65990MH1982PLC026823

Date: 26.08.2025

To,
The Secretary
Department of Corporate Services
The BSE Limited
First Floor, PJ Towers
Dalal Street, Mumbai – 400 001

Sub: Annual Report for the Financial Year 2024-25.

Ref. Scrip Code – 505520

Dear Sir /Madam,

Pursuant to Regulation 34 of SEBI (Listing Obligation and Disclosures Requirements) Regulation 2015, Please find enclosed Annual Report for the Financial Year ended on 31st March 2025 duly approved and adopted by members of the Company at Annual General Meeting of the Company held on 27th September 2025 at 2.00 P.M. through Video Conferencing ("VC") /Other Audio-Visual Means ('OAVM')).

Kindly take the above information on record.

Thanking You,


Yours Faithfully,

For, Hem Holdings and Trading Limited.

SANGEETA
KETAN SHAH

Digitally signed by
SANGEETA KETAN SHAH
Date: 2025.08.26
15:57:16 +05'30'

Sangeeta Ketan Shah
(Managing Director)
DIN: 05322039



HEM HOLDINGS AND TRADING LIMITED



**ANNUAL REPORT
2024-25**

COMPANY INFORMATION

BOARD OF DIRECTORS

Mrs. Sangeeta K Shah	Managing Director
Mr. Ketan M Shah	Non -Executive Director
Mr. Jigar Pankajbhai Shah	Independent Director
Mr. Dolar Kirit Shah	Independent Director
Ms. Rinku Saini	Additional Independent Director

CONTENTS	Page Nos.
Summarized Financial Data	3
Notice	4-24
Director's Report	25- 46
Financial Statements	47-108

COMPANY SECRETARY

Roshni Singhal

CHIEF FINANCIAL OFFICER

SUPREET KAUR

STATUTORY AUDITOR

M/s Harsh Jain and Associates

INTERNAL AUDITORS

M/s M D N & Associates

SECRETARIAL AUDITORS

Meena Naidu & Associates
Practicing Company Secretary

REGISTRAR AND TRANSFER AGENT

MUFG Intime India Private Limited
C-101, 247 Park, L.B.S. MARG,
Vikhroli (West) MUMBAI , (M.H.) – 400083

REGISTERED OFFICE

Unit No V-348, The Centrium, 3rd Floor, Kurla Kirol,
LBS, Kurla, Mumbai, Maharashtra, India, 400070

SUMMARISED FINANCIAL DATA

(Rs. In Lakh)

PROFIT & LOSS ACCOUNT	2024-25	2023-24	2022-23	2021-22	2020-21
Revenue from operations	29.96	25.13	6.42	4.32	4.06
Other Income	7.50	9.97	6.30	3.20	0.00
TOTAL INCOME	37.46	35.10	12.72	7.52	4.06
Employee benefits expense	0.93	1.14	2.58	1.90	2.27
Depreciation and amortization Expense	1.07	1.50	1.58	0.48	0.06
Other expenses	155.76	13.76	9.40	8.38	7.96
TOTAL EXPENSES	157.76	16.40	13.58	10.76	10.30
PROFIT BEFORE TAX	(120.30)	18.70	(0.86)	(3.24)	(6.24)
Current Tax expense	-	3.54	0.50	0.00	0.00
Net Profit after tax	(120.30)	15.16	(1.36)	(3.24)	(6.24)
EARNING PER SHARE (BASIC/DILUTED)	(50.13)	6.32	(0.57)	(1.35)	(2.60)
EXTRACT FROM BALANCE SHEET					
Share Capital	24.00	24.00	24.00	24.00	24.00
Reserve & Surplus	191.80	273.47	219.06	218.84	214.77
Net Fixed Assets	-	29.27	30.76	32.34	1.21
Non-Current Investment	-	72.93	19.89	17.75	7.42
Loans and Receivables	695.47	208.27	130.17	162.39	163.62
Cash & Cash Equivalent	30.24	7.95	65.40	30.70	64.02
OTHER FINANCIAL DATA					
TURNOVER (Rs. In Lakhs)	29.96	25.13	6.42	4.32	4.05
BOOK VALUE PER SHARE (Rs.)	89.92	123.95	101.28	101.18	99.49
NETWORTH (Rs. In Lakhs)	215.80	297.47	243.06	242.84	238.77

NOTICE

Notice is hereby given that the 43rd Annual General Meeting (AGM) of the members of Hem Holdings and Trading Limited will be held on Saturday, 27th September, 2025 at 2.00 pm through Video Conferencing ('VC') or other Audio-Visual Means ('OAVM'), to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited financial statements for the financial year ended 31st March, 2025 and in this regard, pass the following resolutions as an Ordinary Resolutions.

“RESOLVED THAT the audited financial statement of the Company for the financial year ended 31st March, 2025 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered, adopted and approved.”

2. To appoint a Director in place of Mr. Ketan M Shah (DIN: 00312343) who retires by rotation and being eligible offer himself for re-appointment.

SPECIAL BUSINESS:

3. To appoint Ms. Rinku Saini (DIN: 11059678) 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 Sections 149, 152, 160 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules made there under, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), in accordance with the provisions of 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, Ms. Rinku Saini (DIN: 11059678), who was appointed as an Additional Director (Category: Non-Executive Independent) of the Company by the Board of Directors with effect from 11th August, 2025 and who holds office till the conclusion of this 43rd Annual General Meeting (AGM) in terms of Section 161 of the Act and SEBI Listing Regulations, 2015, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term for five year commencing from date of Board’s approval i.e. 11th August, 2025 till 10th August , 2030.

RESOLVED FURTHER THAT any Director or the Key Managerial Personnel of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient for appointment of Ms. Rinku Saini (DIN: 11059678), as a Non-Executive Independent Director of the Company.”

4. Appointment of Mr. Himanshu Ashok Agarwal (DIN: 10101174) 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 provisions of sections 149, 150, 152 and any other applicable provisions

of the Companies Act, 2013 ('Act'), including the rules made thereunder read with Schedule IV to the Act and regulation 25(2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations') and other applicable provisions of the SEBI Listing Regulations, Mr. Himanshu Ashok Agarwal (DIN: 10101174), who qualifies for being appointed as Independent Director and in respect of whom the Company has received a Notice in writing from a member under section 160 of the Act proposing his candidature for the office of Director of the Company, being so eligible, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years, with effect from 1st October 2025 up to 30th September 2030.

RESOLVED FURTHER THAT the Board and the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be required to give effect to this resolution”.

5. Appointment of Mr. Jubin Premji Gada (DIN: 10820579) 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 provisions of sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ('Act'), including the rules made thereunder read with Schedule IV to the Act and regulation 25(2A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations') and other applicable provisions of the SEBI Listing Regulations, Mr. Jubin Premji Gada (DIN: 10820579), who qualifies for being appointed as Independent Director and in respect of whom the Company has received a Notice in writing from a member under section 160 of the Act proposing his candidature for the office of Director of the Company, being so eligible, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years, with effect from 1st October 2025 up to 30th September 2030.

RESOLVED FURTHER THAT the Board and the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be required to give effect to this resolution”.

6. Appointment of Mr. Shubham Arvind Kumar Jain (DIN: 10985882) as an Non-Executive Non-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 152 of Companies Act, 2013 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and rules & regulations made there under, approval of the members of the Company be and is hereby accorded to the appointment of Mr. Shubham Arvind Kumar Jain (DIN: 10985882) as Non-Executive Non-Independent Director of the Company, liable to retire by rotation of Directors, effective from 01st October, 2025 up to 30th September, 2030.

RESOLVED FURTHER THAT pursuant to the provisions of sections 149, 197 and other applicable provisions of the Act and the rules made thereunder and regulation 17(6) of SEBI Listing Regulations, Mr. Shubham Arvind Kumar Jain be paid such fees as the Board may approve from time to time and subject to such limits prescribed from time to time.

RESOLVED FURTHER THAT the Board and the Company Secretary of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things and execute all such documents, instruments and writings as may be required to give effect to this resolution”.

7. Appointment of Secretarial Auditors for a term of five consecutive years

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

“RESOLVED THAT pursuant to the provisions of Regulations 24A and 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 204 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) M/s. Meena Naidu & Associates, Company Secretaries (Firm Registration No. S2022CG465700) be and are hereby appointed as Secretarial Auditors of the Company to conduct secretarial audit of the Company for a term of 5 (five) consecutive years with effect from April 01, 2025 until March 31, 2030, on such remuneration as may be decided by the Board of Directors of the Company (“the Board”) (which shall include a Committee of the Board or an official of the Company authorized in this behalf).

RESOLVED FURTHER THAT the Board be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution and for matters concerned and incidental thereto.”

By Order of the Board of Directors
For, **Hem Holdings and Trading Ltd**

Date: 13.08.2025

Place: Bhilai

Roshni Singhal
Company Secretary

Reg Office: Unit No V-348, The Centrium, 3rd Floor, Kurla Kiroli, LBS, Kurla, Mumbai, Maharashtra, India, 400070

Notes:

1. In compliance with the provisions of the Companies Act, 2013 ('Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and MCA circulars, the AGM of the Company is being held through VC / OAVM. The Board of Directors of the Company considered that the special business under Item Nos. 3 to 7 of the accompanying Notice is annexed hereto.

2. Pursuant to the Ministry of Corporate Affairs ('MCA') General Circular No. 14/2020 dated April 8, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, and various other

circulars issued by the MCA and SEBI and in reference to the recent MCA General Circular No. 09/2024 dated September 19, 2024 and SEBI Circular No. SEBI/HO/CFD/CFD-PoD 2/P/CIR/2024/133 dated October 3, 2024 ('hereinafter collectively referred to as Circulars'), the Annual General Meeting ('AGM/Meeting') of the Company will be held through Video Conferencing ('VC') or Other Audio-Video Means ('OAVM') and accordingly, physical attendance of the Members at the AGM venue is not required. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

3. In compliance with applicable provisions of the Act read with the MCA Circulars, SEBI Circular dated 12th May, 2020 and the Securities Exchange Board of India (Listing Obligation Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) the AGM of the Company is being conducted through VC/OAVM. In accordance with the Secretarial Standard on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/Guidance on applicability of Secretarial Standards I and II dated 15th April, 2020 and further revised on April 1, 2024 issued by the Institute of Company Secretaries of India ("ICSI"). Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.

4. In terms of the MCA Circulars since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 43rd AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Corporate Shareholders may be appointed for the purpose of voting through remote e-Voting, for participation in the 43rd AGM through VC/OAVM Facility and e-Voting during the 43rd AGM.

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

6. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

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

8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM along with Annual Report for the Financial year ended 31st March, 2025 is

available on the website of the Company at www.hemholdings.com, on the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

9. Members of the Company under the category of Institutional Investors are requested to attend and vote at the AGM through VC. Corporate Members/ Institutional Investors intending to appoint their authorized representatives pursuant to Section 113 of the Act, to attend the AGM through VC or OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at cscmameena@gmail.com.

10. The Register of Members and Share Transfer Books of the Company will be closed from 21st September, 2025 to 27th September, 2025 (both days inclusive) for the purpose of the Annual General Meeting for the year ended 31st March, 2025.

11 The Notice of AGM is being sent only in electronic mode to those members whose, e-mail addresses are registered with the Company/ RTA or the Depository Participant(s) as on 22nd August, 2025. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and shareholders as on Cut-off date i.e. 19th September, 2025, shall be entitled to exercise his/her vote electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in Annexure-B.

12. CS Meena Naidu, Meena Naidu & Associates, Company Secretaries (CP No. 23853 & Membership No. A28193) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

13. The Scrutinizer shall within a stipulated period from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

14. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizers Report shall be placed on the Company's website www.hemholdings.com and on the website of CDSL within two working days from the conclusion of AGM of the Company and communicated to the Stock Exchange (BSE).

15. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013 is annexed hereto.

16. In all correspondence with the Company or with its Share Transfer Agent, members are requested to quote their folio number and in case the shares are held in the dematerialized form, they must quote their Client ID Number and their DPID Number.

17. In compliance with the aforesaid MCA Circulars and SEBI Circular dated October 3, 2024 read with SEBI Master Circular dated November 11, 2024, Notice of the 43rd AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Further, the Company will send a letter providing the web-link, including the exact path, where complete details of the Annual Report will be available, to those shareholder(s) who have not registered their email ids with the Company / Company's Registrar and Transfer Agent. Notice of this AGM along with Annual Report for the Financial Year 2024-25 is available on the website of the

Company at www.hemholdings.com website of the Stock Exchanges where the shares of the Company is listed i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of CDSL (agency for providing the e-voting facility) i.e. www.evotingindia.com.

18. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the Securities Market. Members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding the shares in physical form can submit their PAN details to the Company/RTA.

19. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's Registrar and Share Transfer Agent, MUFG Intime India Private Limited (Formerly Link Intime India Private Limited) C-101, 247 Park, LBS Marg, Vikhroli (West) Mumbai - 400083 (MH) Email: rnt.helpdesk@in.mpms.mufg.com Contact No.: 022-49186270.

20. Members are encouraged to express their views /send their queries in advance mentioning their name demat account number / folio number, email id, mobile number at compliance@hemholdings.com. Questions / queries received by the Company till 5.00 p.m. on Thursday, 25th September, 2025 shall only be considered and responded during the AGM.

21. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registering of nomination, power of attorney registration, Bank Mandate details, etc., to their Depository Participant ("DP") 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 number and enclosing the self-attested supporting document. Further, Members may note that SEBI has mandated the submission of PAN by every participant in securities market.

22. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company in case the shares are held by them in physical form.

23. Pursuant to Section 72 of the Companies Act, 2013, Members who hold shares in the physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest, to avail of the nomination facility by filling form SH-13. Members holding shares in the dematerialized form may contact their Depository Participant for recording the nomination in respect of their holdings.

24. PROCEDURE FOR INSPECTION OF DOCUMENTS:

a. All the documents referred to in the accompanying notice and the statement pursuant to Section 102 (1) of the Companies Act, 2013 shall be available for inspection through electronic mode. Members are requested to write to the Company on compliance@hemholdings.com for inspection of said documents; and

b. 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 by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to compliance@hemholdings.com.

25. Members holding shares in physical form are requested to advise any change in their registered address, E-mail address, Contact Numbers and Bank particulars etc., to the Company's Registrar and Share Transfer Agent (RTA), MUFG Intime India Private Limited , Mumbai quoting their folio number at rnt.helpdesk@in.mpms.mufig.com Members holding shares in electronic form must send the advice about change in their registered address, E-mail address, Contact Number and bank particulars to their respective Depository Participant and not to the Company.

EXPLANATORY STATEMENT

[Pursuant to Section 102 of the Companies Act, 2013 (“Act”)]

The following Statement sets out all material facts relating to Item Nos. 3 to 7 mentioned in the accompanying Notice.

ITEM NO.3

The Board of Directors in order to broad base its board composition and on the recommendation of Nomination and Remuneration Committee, appointed Ms. Rinku Saini (DIN: 11059678) as an Additional Director in Independent Category of the Company for a term of five (5) years effective from 11th August, 2025, subject to the approval of the Members of the Company at the ensuing Annual General Meeting. The Company has received a notice in writing under Section 160 of the Companies Act, 2013 (‘the Act’) from a member proposing her candidature for the office of an Independent Director. Ms. Rinku Saini (DIN: 11059678) is not disqualified from being appointed as a Director, in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as an Independent Director of the Company. Ms. Rinku Saini (DIN: 11059678) has submitted a declaration of independence as provided in Section 149(6) of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that she is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to her registration with the data bank of independent directors maintained by the Indian Institute of Corporate Affairs. She has also submitted declaration pursuant to BSE Circular No. LIST/ COMP/ 14/ 2018- 19 dated June 20, 2018, stating that she is not been debarred from holding office of a director by virtue of any order passed by SEBI or any other such regulatory authority. She has confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties as an Independent Director of the Company. The Board of Director is of the opinion that she fulfills the conditions specified in the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Accordingly, based on the recommendation of Nomination and Remuneration Committee, the Board recommends the Resolution set out at Item No.3 of the accompanying Notice for approval of the Members of the Company.

Except Ms. Rinku Saini (DIN: 11059678) and her relative, none of the other Directors and/or Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the said resolution.

The Board recommends passing of the special resolution as set out at item No. 3 of the Notice for approval by members.

ITEM NO.4

The Board, at its meeting held on 4th August, 2025, based on the recommendation of the Nomination and Remuneration Committee (‘NRC’) has proposed to the members of the Company, the appointment of Mr. Himanshu Ashok Agarwal (DIN: 10101174) as an Independent Director, not liable to retire by rotation, who shall hold office for a term of five consecutive years commencing from 1st October 2025 to 30th September 2030. Mr Himanshu Ashok Agarwal is not disqualified from being appointed as a director in terms of section 164 of the Act. He has confirmed that he is not debarred from holding the office of director by virtue of any order from SEBI or any such authority and has given his consent to act as a director of the

Company. The Company has also received declaration from him that he meets the criteria of independence as prescribed, both, under section 149(6) of the Act and regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable guidelines/circulars issued from time to time. In the opinion of the Board, Mr Himanshu Ashok Agarwal fulfils the conditions as specified in the Act read with rules made thereunder and SEBI Listing Regulations and is independent of the Management. The Board is also of the opinion that Himanshu Ashok Agarwal is a person of integrity and considering his qualifications, extensive knowledge and rich experience in various sectors, his appointment is in the interest of the Company. His association would be of immense benefit and value to the Company and, therefore, the Board recommends his appointment as an Independent Director to the members.

In terms of regulation 25(2A) of the SEBI Listing Regulations, a special resolution is required to be passed for appointment of an Independent Director and accordingly, approval of members is being sought for appointment of Himanshu Ashok Agarwal as an Independent Director, not liable to retire by rotation, to hold office for a term of five (5) consecutive years with effect from 1st October 2025 to 30th September 2030 (both days inclusive).

Interest of Directors and KMP: Himanshu Ashok Agarwal, being the appointee is deemed to be interested in this item of business.

Save and except above, no other Director/Key Managerial Personnel and/or their relatives, are directly or indirectly concerned or interested, financially or otherwise, except to the extent of their shareholding, if any, in the Company, in the resolution set out at item No. 4 of the Notice.

The Board recommends passing of the special resolution as set out at item No. 4 of the Notice for approval by members.

ITEM NO.5

The Board, at its meeting held on 4th August, 2025, based on the recommendation of the Nomination and Remuneration Committee ('NRC') has proposed to the members of the Company, the appointment of Mr. Jubin Premji Gada (DIN: 10820579) as an Independent Director, not liable to retire by rotation, who shall hold office for a term of five consecutive years commencing from 1st October 2025 to 30th September 2030. Jubin Premji Gada is not disqualified from being appointed as a director in terms of section 164 of the Act. he has confirmed that he is not debarred from holding the office of director by virtue of any order from SEBI or any such authority and has given her consent to act as a director of the Company. The Company has also received declaration from him that he meets the criteria of independence as prescribed, both, under section 149(6) of the Act and regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and other applicable guidelines/circulars issued from time to time. In the opinion of the Board, Jubin Premji Gada fulfils the conditions as specified in the Act read with rules made thereunder and SEBI Listing Regulations and is independent of the Management. The Board is also of the opinion that Jubin Premji Gada is a person of integrity and considering his qualifications, extensive knowledge and rich experience in various sectors, his appointment is in the interest of the Company. His association would be of immense benefit and value to the Company and, therefore, the Board recommends his appointment as an Independent Director to the members.

In terms of regulation 25(2A) of the SEBI Listing Regulations, a special resolution is required to be passed for appointment of an Independent Director and accordingly, approval of members is being sought for

appointment of Jubin Premji Gada as an Independent Director, not liable to retire by rotation, to hold office for a term of five (5) consecutive years with effect from 1st October 2025 to 30th September 2030 (both days inclusive).

Interest of Directors and KMP: Jubin Premji Gada, being the appointee is deemed to be interested in this item of business.

Save and except above, no other Director/Key Managerial Personnel and/or their relatives, are directly or indirectly concerned or interested, financially or otherwise, except to the extent of their shareholding, if any, in the Company, in the resolution set out at item No. 5 of the Notice.

The Board recommends passing of the special resolution as set out at item No. 5 of the Notice for approval by members.

ITEM NO.6

The Board, at its meeting held on 4th August 2025 and based on the recommendation of the Nomination and Remuneration Committee, has proposed the appointment of Mr. Shubham Arvind Kumar Jain (DIN: 10985882) as a Non-Executive Non-Independent Director , liable to retire by rotation, for a term of five consecutive years commencing from 1st October 2025 to 30th September 2030. Mr. Shubham Arvind Kumar Jain is not disqualified for appointment under Section 164 of the Companies Act and has furnished his consent to act as Director. He has also confirmed that no order from SEBI or any regulatory authority prohibits him from holding this position. The Board believes that Mr. Shubham Arvind Kumar Jain integrity, strategic acumen, and extensive sectoral experience would be highly beneficial to the Company and contribute significantly towards its governance and growth. In terms of regulation 25(2A) of the SEBI Listing Regulations, a special resolution is required to be passed for appointment of an Independent Director and accordingly, approval of members is being sought for appointment of Mr. Shubham Arvind Kumar Jain as an Non-Independent Director, liable to retire by rotation, to hold office for a term of five (5) consecutive years with effect from 1st October 2025 to 30th September 2030 (both days inclusive).

Interest of Directors and KMP: Mr. Shubham Arvind Kumar Jain, being the appointee and a non-independent Director, is deemed interested in this resolution. Save for his interest, no other Director, Key Managerial Personnel, or their relatives, is financially or otherwise concerned or interested in this resolution, except to the extent of their shareholding, if any, in the Company.

In terms of Section 152 of the Companies Act, which governs appointment and retirement of directors, and noting that the appointment is subject to shareholder approval, the Board recommends the resolution set out at Item No. 6 of the Notice for approval by the Members.

Item No. 7

The Members are hereby informed that as per the recent amendments in Regulation 24A of the SEBI Listing Regulations, the Company is required to appoint the Secretarial Auditors for a period of five (5) years instead of on a year-on-year basis. The said firm is required to be a Peer Reviewed Company Secretary.

M/s. Meena Naidu & Associates , a Practicing Company Secretaries, has been acting as the Secretarial Auditor of the Company since the Financial Year 2023-24.

M/s. Meena Naidu & Associates possesses extensive experience in the field of secretarial and legal compliances. Over the course of its professional practice, the firm has handled a wide range of secretarial compliance matters, including those related to the Companies Act, SEBI regulations, and Stock Exchange requirements. The firm provides secretarial and compliance services to both listed and unlisted companies and offers consultation on various matters under company law.

The performance of M/s. Meena Naidu & Associates has been satisfactory in the last two years and accordingly, it is proposed to appoint her for a period of five (5) consecutive years in line with the aforesaid requirements. The firm has been Peer Reviewed and is not disqualified in terms of the requirements of SEBI.

M/s. Meena Naidu & Associates, meets the eligibility criteria as enumerated under Regulation 24A(1A) of the Listing Regulations. M/s. Meena Naidu & Associates has given her consent and eligibility certificate to act as the Secretarial Auditor of the Company and has confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under the Act, SEBI Listing Regulations and guidelines issued by the Institute of Company Secretaries of India.

As per the recommendation of the Audit Committee, the Board of Directors of the Company at its Board Meeting held on May 30, 2025 approved the appointment of Meena Naidu & Associates hereinafter called as the Secretarial Auditor of the Company for a period of five (5) consecutive Financial Years, commencing from the Financial Year 2025-26 till the Financial Year 2029-30.

The fees proposed to be paid to Meena Naidu & Associates for the financial year commencing from FY 2025-26 to FY 2029-30 would be finalised between the Company Secretary and the Secretarial Auditor.

In addition to the secretarial audit, Meena Naidu & Associates may provide such other permissible services from time to time as may be approved by the Board of Directors.

Considering the evaluation of the past performance, experience and expertise of M/s. Meena Naidu & Associates and based on the recommendation of the Audit committee and approval of the Board of Directors, it is proposed to appoint M/s. Meena Naidu & associates as the Secretarial Auditors of the Company for a period of five (5) consecutive Financial Years till the Financial Year 2029-2030 in terms of the aforesaid provisions.

None of the Promoters, Directors and Key Managerial Personnel of the Company (including their relatives) are in any way, whether financially or otherwise, concerned or interested in the said resolution.

Accordingly, the Board recommends the resolution as set out at item No. 7 of the Notice for approval by the members as an Ordinary Resolution.

Annexure-A

Brief Profile of Appointee:

Name of Director:	Ketan Moolchand Shah	Rinku Saini	Himanshu Ashok Agarwal	Jubin Premji Gada	Shubham Arvind Kumar Jain
DOB	02/12/1965	21/06/1978	28/05/1995	27/05/1989	17/05/1997
Date of First Appointment on Board:	29/01/2011	11/08/2025	NA	NA	NA
Qualifications	Bachelor degree in Mechanical Engineering and postgraduate degree in Business Management	Graduate	Degree of B.com	Graduate	Commerce graduate
Experience/Expertise in specific functional area/ Brief resume of the Director:	Mr Ketan Moolchand Shah holds a Bachelor degree in Mechanical Engineering from the Madhav Institute of Technology and Science, Gwalior (M.P) and a postgraduate degree in Business Management from the University of Florida. Over the period of his thirty-Seven years of experience and being an innovative technocrat, company succeeded in positioning its global presence as one of the reliable name for customers.	Ms. Rinku Saini is a dynamic and poised professional known not only for her deep expertise as a consultant and advisor to top- tier companies, but also for her polished interpersonal skills and inspiring leadership presence.	Mr.Himanshu Agarwal is holding degree of B.com and holds more than 10 years of experience in accounts and finance.	Mr. Jubin Premji Gada has accumulated over five years of experience in brand management, digital marketing, and strategic campaign development. Demonstrated expertise in executing high impact marketing strategies across channels to drive brand awareness, customer engagement, and revenue growth.	Mr. Shubham Arvind Kumar Jain is a Commerce graduate and holding vast experience in the field of finance and accounts

Terms and conditions for appointment/reappointment	As per Company Policy on appointment of Board members	As per Company Policy on appointment of Board members	As per Company Policy on appointment of Board members	As per Company Policy on appointment of Board members	As per Company Policy on appointment of Board members
Details of Remuneration sought to be paid and Remuneration last drawn:	As per Nomination and Remuneration Policy	As per Nomination and Remuneration Policy	As per Nomination and Remuneration Policy	As per Nomination and Remuneration Policy	As per Nomination and Remuneration Policy
Number of Board Meetings attended during FY 2024-25:	10/10	NA	NA	NA	NA
Other Directorship held:	1.Simplex Castings Limited 2. Sim Prabha Estates and Trading Company Pvt Ltd. 3. Prabha Plantations Pvt Ltd. 4. SEFW Projects Pvt Ltd.	1.SIDH AUTOMOBILES LIMITED 2.COVIDH TECHNOLOGIES LIMITED 3.JYOTIRGAMY A ENTERPRISES LIMITED 4.KOME-ON COMMUNICATION LTD	1. TRUSTWAVE SECURITIES LIMITED 2.DRITIK ADVISORY LLP	1.OMANSH ENTERPRISES LIMITED 2.SIDH AUTOMOBILES LIMITED	1. TVISHA PROSPERITY PARTNERS LLP
No. of Shares Held (as on 31 st March,2025)	51202	NIL	NIL	NIL	NIL
Name of committees in which he/she holds membership/ chairmanship	Hem Holdings & Trading Limited -Audit Committee (Member) - Nomination and Remuneration Committee (Member)	a. Member in Audit Committee, Nomination and Remuneration Committee , Stakeholder Relationship Committee and	NIL	NIL	NIL

	-Stakeholders & Relationship Committee (Member)	Risk Management Committee of COVIDH TECHNOLOGIES LIMITED b. Member in Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee in JYOTIRGAMYA ENTERPRISES LIMITED			
Relationship with other Directors and KMPs of the Company	Mrs Sangeeta K Shah and Mr Ketan M Shah are related to each other.	Not related with any Director.	Not related with any Director.	Not related with any Director.	Not related with any Director.

ANNEXURE-B

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

- Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.
- The voting period begins on 24th September , 2025 at 9 a.m and ends on 26th September , 2025 at 5 P.M . 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 19th September , 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,

2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. 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, so that the user can visit the e-Voting service providers' website directly.

	<p>3. If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option.</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 evoting 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 Depository	<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 re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</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 hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p> <p>4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for</p>

	casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

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

v. Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.

3) Now enter your User ID

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

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

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

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

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none">Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<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.

- vi. After entering these details appropriately, click on “SUBMIT” tab.
- vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix. Click on the EVSN for the relevant <Hem Holdings and Trading Limited> on which you choose to vote.

- x. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xii. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xiii. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xiv. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xv. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- xvii. **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; compliance@hemholdings.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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

DIRECTORS' REPORT

Dear Members,

Your directors are pleased to present their 43rd Annual Report and Accounts of your Company for the year ended on 31st March, 2025.

FINANCIAL RESULTS

	(Rs in Lakhs)	
	31st March,2025	31st March,2024
Total Income	37.46	35.10
Total Expenses	157.77	16.40
Profit before tax	(120.31)	18.70
Profit after tax	(120.31)	15.16
Other Comprehensive Income	24.27	39.24
Total Comprehensive Income	(96.04)	54.41

PERFORMANCE REVIEW

Total income for the Financial Year 2024-25 is Rs.37.46 lacs as against Rs35.10 lacs in previous year. Profit before tax for the financial year 2024-25 decreased to Rs. (120.31) lacs as against Rs18.70 lacs for previous financial year and Profit after Tax is Rs. (120.31) lacs against Rs.15.17 lacs for previous financial Year.

The Company does not have any subsidiary, or associate, or joint venture Company.

RESERVES

The Company has not transferred any amount to General Reserve during FY 2024-25.

DIVIDEND

In order to conserve funds of the Company, for future growth, the Board of Directors regrets that no dividend is being recommended for the year under review.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

No amount is required to be transferred under the provisions of Section 125(2) of the Companies Act,2013 as there was no dividend declared and paid in last years.

REMUNERATION

As per Section 197(12) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014, no remuneration has been paid to Directors of the Company.

FAMILIARISATION PROGRAMME OF INDEPENDENT DIRECTORS

The Company conducts the Familiarization Programme for the Independent Directors to provide the man opportunity to familiarize with the Company, its Management and its operation so as to

gain a clear Understanding of their roles, rights and responsibilities and contribute significantly to wards the growth of the Company.

NOMINATION AND REMUNERATION POLICY

The Company continues to consider human resources as its invaluable assets. This policy on nomination and remuneration of directors, Key Managerial Personnel (KMPs) and other employees has been formulated in terms of the provisions of the Companies Act, 2013 and the Listing Agreement.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes or a commitment occurring after 31st March, 2025, which may affect the financial position of the Company or may require is closure.

COMPLIANCE WITH RBI GUIDELINES

Your company has adopted “Fair practices Code” and complied and continues to comply with all the applicable regulations, circulars and guidelines issued by the RBI for every NBFC Company from time to time.

PUBLIC DEPOSITS

The Company has not accepted any deposit within the meaning of Section 73 and Section 74 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rule, 2014 including (any statutory modification(s) or re-enactment(s) for the time being in force).

CORPORATE GOVERNANCE

As per the provisions of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the compliance with the specified regulations of Corporate Governance was not applicable on the Company during the financial year 2024-25.

COST RECORDS AND AUDIT

Maintenance of cost records and requirement of cost and it as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company and accordingly no such accounts and records are made and maintained.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the Financial Year ended 31st March, 2025.

NUMBER OF MEETINGS OF THE BOARD

The following Meetings of the Board of Directors were Ten Board Meetings held during the Financial Year 2024- 25:

Sr. No	Date of Meeting	Board Strength	No. of Directors Present
1.	08.04.2024	3	3
2.	30.05.2024	3	3
3.	03.06.2024	3	3
4.	25.07.2024	3	3
5.	13.08.2024	3	3
6.	12.11.2024	3	3
7.	29.11.2024	3	3
8.	13.12.2024	3	3
9.	18.12.2024	3	3
10.	08.02.2025	4	4

The particular of the Directors and attendance at the Board Meeting during the year, the attendance in the last Annual General Meeting, number of other directorships (excluding Hem Holdings and Trading Limited) and Committee Memberships as on 31-03-2025 are as follows:

Name of the Director	Attendance at meeting during 2024-25		No. of other Directorship(s) as on 31-03-2025	No. of Other Board Committees member/ Chairman	Category
	BM	AGM			
Ketan M Shah	10/10	YES	1	-	Promoter/Non-Executive Director
Sangeeta K Shah	10/10	YES	1	-	Promoter/Managing Director
Sunjay Gupta *	07/7	YES	-	-	Independent Director
Jigar Dave**	03/03	-	-	-	Independent Director
Dolar Kirit Shah ***	01/01	-	-	-	Independent Director

NOTE:

*Resignation of Mr. Sanjay Gupta (DIN: 10249917) from the Directorship of the company with effect from 03.12.2024

**Appointment of Mr. Jigar Pankajbhai Dave (DIN: 10420277) as an Additional Director of the company with effect from 29.11.2024

***Appointment of Mr. Dolar Kirit Shah (DIN: 09515662) as an Additional Director of the company with effect from 18.12.2024.

Currently the Board has three committees: Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee.

Audit Committee

The Composition of the Audit Committee as on 1st April , 2024 are as under:

Sanjay Gupta (Chairman)
Ketan Shah (Member)
Sangeeta K Shah (Member)

The Committee has been reconstituted on 18th December 2024, details are as under:

Dolar Kirit Shah (Chairman)
Ketan Moolchand Shah (Member)
Jigar Pankaj Bhai Dave (member)

Meeting attendance during the financial year ended 31st March, 2025 is detailed below:

Date	Audit Committee Attendance
30.05.2024	Sanjay Gupta (Chairman) Ketan Shah (Member) Sangeeta K Shah (Member)
13.08.2024	Sanjay Gupta (Chairman) Ketan Shah (Member) Sangeeta K Shah (Member)
12.11.2024	Sanjay Gupta (Chairman) Ketan Shah (member) Sangeeta K Shah (Member)
08.02.2025	Dolar Kirit Shah (Chairman) Ketan Moolchand Shah (Member) Jigar Pankaj Bhai Dave (member)

NOMINATION AND REMUNERATION COMMITTEE

The Composition of the Nomination and Remuneration Committee as on 1st April , 2024 are as under:

Sanjay Gupta (Chairman)
Ketan Shah (Member)
Sangeeta K Shah (Member)

The Committee has been reconstituted on 18th December 2024, details are as under:

Dolar Kirit Shah (Chairman)
Ketan Moolchand Shah (Member)
Jigar Pankaj Bhai Dave (member)

The composition of the Nomination and Remuneration Committee of the Board of Directors of the Company along with the details of the meetings held and attended by the members of the Committee during the financial year 2024-25 is detailed below:

Date	Nomination and Remuneration committee attendance
29.11.2024	Sanjay Gupta (Chairman) Ketan Shah (Member) Sangeeta K Shah (Member)

STAKEHOLDERS RELATIONSHIP COMMITTEE.

The committee met once during the year on 08.02.2025. As on 31st March, 2025, the Stakeholders' Relationship Committee consists of the following members:

Name of the Member	Status	Meeting	Category
Mr. Dolar Kirit Shah	Chairman	1/1	Independent Director
Mr. Ketan M Shah	Member	1/1	Non-Executive Director
Mr.Jigar Dave	Member	1/1	Independent Director

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act,2013, the Directors hereby confirm that:

- In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanations relating to material departures, If any;
- They have selected such Accounting Policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31,2025 and of the profit and loss of the company for that period;
- To the best of their knowledge and information, they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act,2013 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- They have prepared the Annual Accounts on a Going Concern basis;
- They have laid down internal financial controls to be followed by the Company and that such internal

financial controls are adequate and are operating effectively; and

f) There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CONSERVATION OF ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

The Company is not a manufacturing Company and as such no provisions of Conservation of Energy, Technology Absorption under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are attracted. It is further stated that there was no inflow and outflow of foreign exchange.

INDIAN ACCOUNTING STANDARDS (IND AS)

Pursuant to the notification, issued by The Ministry of Corporate Affairs dated February 16, 2015 relating to the Companies (Indian Accounting Standard) Rules, 2015, the Company has adopted "IND AS" with effect from April 01, 2019.

RISK MANAGEMENT POLICY

The Company constantly manages monitors and reports on the principal risk and uncertainties that can have an impact on the Company. Your directors keep a close watch on the risk prone areas and take actions from time to time.

INTERNAL FINANCIAL CONTROL

The Company has an adequate Internal Control System, commensurate with its size, scale and operations to ensure proper recording of financial and operational information and compliance of various internal control and other regulatory and statutory compliance. During the year no, reportable material weakness in the design or operation were observed.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Mr. Jigar Pankaj Bhai Dave has appointed as additional director with effect from 29th November, 2024 as Non-Executive Independent Director of the Company from 29th November, 2024 till the AGM to be held in 2025 and Mr. Dolar Kriti Shah has been appointed as additional director with the effect from 18th December, 2024 as Non-Executive Independent Director of the company till the AGM to be held in 2025.

During the year, Mr Sanjay Gupta, Independent Director has resigned from the Company with effect from 3rd December, 2024.

During the year under review, The Company has appointed Mrs. Monika Chimnani as Company Secretary and Compliance Officer of the Company with the effect from 8th April, 2024 and resigned from the said position with effect from 20th July, 2024 (After closure of Business hours) and in place of her the company has appointed Mrs. Roshni Singhal as the company secretary and compliance officer with effect from 25th July, 2024.

During the year under review, Mr. Ashish Tayal has tender his resigned with effect from 13th December, 2024 as Chief Financial Officer and Chief Executive Officer and in place of him company

has appointed Ms. Supreet Kaur (PAN: BFWPK1886C) as Chief Financial Officer with effect from 13th December, 2024.

STATUTORY AUDITORS

M/s. Harsh Jain & Associates , Chartered Accountants, Durg , having ICAI Firm Registration No. 007639C , has re-appointment as the Statutory Auditors of the Company to hold the office for a period of five year from the conclusion of this 40th Annual General Meeting till the conclusion of 45th Annual General Meeting of the Company to be held in the year 2027.

The Auditors have issued an unmodified opinion on the Financial Statements, for the financial year ended 31st March, 2025.

SECRETARIAL AUDITOR AND THEIR REPORT

Mrs. Meena Naidu, Practicing Company secretary had been appointed as Secretarial Auditor of the Company for the FY 2024-25. The Secretarial Audit Report for the financial year ended 31st March, 2025 is annexed here with as **Annexure-II** to this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark therefore, no details are required to be disclosed.

FRAUDS REPORTED BY AUDITORS

The Statutory Auditors or Secretarial Auditor of the Company have not reported any frauds under section 143(12) of the Companies Act, 2013, including rules made there under.

EXTRACT OF ANNUAL RETURN

The Extract of the Annual Return of the Company has been placed on the website of the Company at www.hemholdings.com.

RELATED PARTY TRANSACTIONS

There is no materially significant Related Party Transaction made by the Company during the year that would require shareholders' approval under the Listing Regulations.

Details of the transaction with Related Parties are provided in accompanying financial statement. There was no transaction during the year which would require to be reported in form no AOC-2.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments outstanding as on 31st March, 2025 are given in the notes to the financial statements.

CHANGE IN CAPITAL STRUTURE AND LISTING OF SHARES

Presently the Company's shares are listed on the Bombay Stock Exchange (BSE). There are no changes in Capital Structure during the F.Y ended 31st March, 2025. Your company has not issued equity shares with differential rights as to dividends, voting or otherwise, and does not have ESOP scheme for its employees/Directors.

PARTICULARS OF EMPLOYEES

There was no employee receiving remuneration attracting provisions of section 134 (3) (q) of the Companies Act, 2013 read with Rule 5(2) & (3) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

DECLARATION OF INDEPENDENCE

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16(1) (b) of Listing Regulations (including any statutory modification(s) or re-enactment(s) for the time being in force). In accordance with the provision of Section 152 of the Companies Act, 2013, none of Independent Director is liable to retire by rotation.

PERFORMANCE EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

Meeting the requirements of the statute and considering Boards Performance evaluation as an important step for a board to transit to a higher level of performance, the Nomination and Remuneration Committee has laid down a comprehensive framework for carrying out the evaluation prescribed in the provisions of the Companies Act, 2013 read with rules issued thereunder and the Listing Regulations (including any statutory modifications or re-enactment (s) for the time being in force). The process for evaluation of the annual performance of the Director/Board/Committees was carried out. The overall outcome was positive.

VIGIL MECHANISM

A Vigil Mechanism Policy for Directors and employee of the Company is constituted as per Section 177 (9) to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on rising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and report etc.

NBFC LICENSE

Hem Holdings and Trading Limited is one of the certified non-deposit accepting (Category-B) NBFC business institutions from Reserve Bank of India engaged in investments and other investment advisory financial services. Hem Holdings and trading limited since 1980 has been engaged in providing quality services in field of Investment and buying, selling, under writing, investing, acquire and hold securities of every kind whether issued by Companies operating within India or outside.

GENERAL

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

- (a) The Company is not covered under Section 135(2) of the Companies Act, 2013 and as such no disclosure regarding Corporate Social Responsibility is required under the said section or applicable rules.

- (b) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
- (c) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- (d) Your Company has not made any one-time settlement with any of its lenders.
- (e) There is no application filed or made under the Insolvency and Bankruptcy, 2016.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed report on the Management Discussion and Analysis in terms of the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as **Annexure- I**.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE [PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has adopted zero tolerance for sexual harassment at the workplace and has formulated a policy on prevention, prohibition, and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. Awareness programs were conducted at various locations of the Company.

The Company has complied with provisions relating to the constitution of the Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There were no complaints relating to sexual harassment, pending at the beginning of financial year, received during the year and pending as on the end of the Financial Year 2024-25.

ACKNOWLEDGEMENT

Your Directors wishes to express its gratitude and record their appreciation for the commitment and dedicated efforts put in by all the employees. Your director takes this opportunity of expressing the assistance and co-operation extended to the Company by banks, employees, members and all other persons.

For and on behalf of the Board of Directors

(Ketan Moolchand Shah)
DIRECTOR

DIN:00312343

(Sangeeta Ketan Shah)
DIRECTOR

DIN:05322039

Place: Bhilai
Date: 30.05.2025

ANNEXURE-I

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMY OVERVIEW

GLOBAL ECONOMY

The global economy has been resilient in 2024, but some signs of weakness are appearing against a backdrop of slower growth, lingering inflation and an uncertain policy environment (OECD Interim Economic Outlook, March 2025). The Outlook projects global growth slowing to 3.1% in 2025 and 3.0% in 2026, with important differences across countries and regions. GDP growth in the United States is projected at 2.2% in 2025 before slowing to 1.6% in 2026. In the euro area, growth is projected to be 1.0% in 2025 and 1.2% in 2026. China's growth is projected to slow from 4.8% this year to 4.4% in 2026. Inflation is projected to be higher than previously expected, although still moderating as economic growth softens. Services price inflation is still elevated amidst tight labour markets and goods price inflation has begun picking up in some countries, although from low levels. Annual headline inflation in G20 economies is projected at 3.8% in 2025 and 3.2% in 2026.

INDIAN ECONOMY

India continues to be one of the fastest-growing major economies in the world. As per the Ministry of Finance and projections from the Reserve Bank of India (RBI), the Indian economy is expected to grow at 7.0% in FY 2024–25, maintaining momentum after an estimated growth of 7.6% in FY 2023–24. This consistent performance underscores India's resilience amidst global uncertainties, including geopolitical tensions, inflationary pressures, and financial market volatility.

The robust performance is attributed to strong domestic consumption, increased infrastructure spending, higher capital expenditure, recovery in services, and improving private sector investments. Key sectors like manufacturing, digital technology, renewable energy, logistics, and fintech continue to act as growth drivers.

The Government of India Maintained its focus on fiscal consolidation, digital transformation, manufacturing competitiveness, and inclusive development through various reforms and targeted capital expenditure. Improved tax collections, continued foreign direct investment inflows, and resilience in key sectors contributed to stable economic performance despite global headwinds, including tightening monetary policies worldwide, energy price volatility, and geopolitical uncertainties.

The Interim Budget 2024–25 focused on continuity, stability, and inclusive growth, laying a foundation for a "Viksit Bharat" (Developed India) by 2047. Fiscal deficit target revised to 5.1% of GDP for FY 2024–25, with a commitment to bring it down to 4.5% by FY 2025–26. Continued emphasis on fiscal prudence and efficient resource allocation. Capital expenditure outlay increased to ₹11.11 lakh crore, approx. 3.4% of GDP, to sustain growth momentum. Focus on connectivity: railways, highways, logistics, and urban infrastructure.

The banking sector remained stable with improved asset quality. Gross NPAs of scheduled commercial banks declined to 3.1% as of March 2025 (lowest in over a decade). Credit growth stood

at 15.2% year-on-year, led by retail and MSME lending. NBFCs saw increased regulatory oversight, with RBI focusing on liquidity coverage, capital adequacy, and governance norms under the Scale-Based Regulation (SBR) framework.

OUTLOOK

GLOBAL

The global economy is projected to grow at a modest pace of around **2.9% in 2025**, with continued divergence across regions. Although inflation is gradually easing, high interest rates, geopolitical instability, and subdued global trade continue to weigh on sentiment. Monetary policy remains tight in advanced economies, with central banks cautious about premature easing. Volatility in commodity prices, especially oil, due to conflicts in Ukraine and the Middle East, remains a risk. Meanwhile, advancements in digital technologies and the global shift toward clean energy are reshaping investment flows and economic priorities. Capital markets worldwide are expected to remain volatile, responding to inflation trends, rate decisions, and policy shifts. This uncertain environment calls for a cautious and agile approach from investors and financial entities.

INDIA

India's economy continues to demonstrate remarkable resilience and momentum, with GDP growth estimated at 7.0% for FY 2024–25 and projected to grow at 6.8% to 7.0% in FY 2025–26, as per government and RBI forecasts. This sustained performance makes India the fastest-growing major economy in the world, significantly outpacing global growth projections of 2.9% for the same period. The strong growth trajectory is driven by robust domestic consumption, infrastructure-led capital formation, digitization, and favorable demographics.

The government's ₹11 lakh crore capital expenditure push is opening investment avenues in sectors like infrastructure, logistics, renewable energy, and affordable housing. This presents opportunities for companies involved in investments to diversify beyond equities and explore real-sector linked instruments, private placements, REITs/InvITs, and structured debt products. Meanwhile, consumption-driven sectors like FMCG, healthcare, and financial services offer steady long-term growth potential.

India's digital transformation—led by UPI, ONDC, and Account Aggregator—has improved access to credit and created new financial inclusion pathways. For NBFCs, this means increased efficiency and expanded reach, particularly in semi-urban and underbanked markets. While capital markets continue to attract strong retail and institutional flows, broadening the portfolio toward stable and regulated sectors can reduce volatility and enhance risk-adjusted returns.

Macroeconomic stability remains a key strength: inflation averaged 5.4%, forex reserves stood at USD 644 billion, and the fiscal deficit was contained at 5.6% of GDP. The repo rate remained at 6.50%, supporting balanced credit conditions. However, external risks—such as global oil prices, regulatory changes, and geopolitical uncertainties—warrant a cautious and diversified approach.

Capital markets in India have demonstrated resilience, buoyed by strong corporate earnings, robust domestic institutional participation, and rising retail investor confidence. While short-term corrections are likely due to global uncertainties, the long-term outlook remains positive for equities and mutual funds.

In summary, India's economic outlook is not only strong but structurally promising. This creates opportunities to strategically expand into multi-asset, sector-diverse investments, reduce concentration in listed markets, and align its portfolio with India's long-term growth drivers

INDUSTRY OVERVIEW AND OUTLOOK FOR OUR COMPANY

The Non-Banking Financial Company (NBFC) sector in India plays a vital role in driving financial inclusion, credit delivery, and capital market participation. As of FY 2024–25, the sector has witnessed robust expansion, managing over **₹60 lakh crore** in assets and contributing to more than **25% of India's total credit flow**. NBFCs bridge the gap left by traditional banks by serving retail, SME, and underserved segments through innovative and flexible financial models. Regulatory measures introduced by the **Reserve Bank of India (RBI)**—such as the **Scale-Based Regulatory (SBR) framework**, enhanced capital norms, and risk management guidelines—are strengthening the financial health and transparency of the sector.

The rise of digitization, financial technology integration, and a growing appetite for diversified financial instruments has accelerated the transformation of the NBFC landscape. Furthermore, the increasing retail investor participation in equities, debt markets, REITs, and alternative investments has expanded the operational scope for NBFCs involved in financial intermediation, advisory, and asset management. India's strong macroeconomic fundamentals, combined with policy-driven growth in infrastructure, manufacturing, and the digital economy, are expected to further drive credit demand and capital formation—creating long-term opportunities for NBFCs.

OPPORTUNITIES & THREATS

Opportunities

- Increase in Income levels will aid greater penetration of financial products.
- Positive regulatory reforms.
- Increase in corporate growth & risk appetite.
- Greater efficiency in debt market operations which will also help greater penetration.
- Increased securitization.
- Focus on selling new product/services.

Threats

- Inflation could trigger increase in consumer price inflation, which would dampen growth.
- Increased competition in both local & overseas markets.
- Unfavorable economic development.
- Market risk arising from changes in the value of financial instruments as a result of changes in market variables like interest rate and exchange rates.

FINANCIAL AND OPERATIONAL PERFORMANCE

Total income for the Financial Year 2024-25 is Rs.37.46 lacs as against Rs35.10 lacs in previous year. Profit before tax for the financial year 2024-25 decreased to Rs. (120.31) lacs as against Rs18.70 lacs for previous financial year and Profit after Tax is Rs. (120.31) lacs against Rs.15.17 lacs for previous financial Year.

RATIOS

Ratios	Current Reporting Period	Previous reporting period	% of Change	Reason
Current Ratio	4059.49%	120.85%	3259.09%	Due to increase in Current Assets
Return on Equity Ratio	-55.75%	5.10%	-1193.73%	Due to decrease in Profit & company has incurred losses for the year.
Net capital turnover ratio	17.36%	11.80%	47.11%	Due to Gross Receipts increased & Shareholder's Equity decreased.
Net profit ratio	-321.14%	43.19%	-843.47%	Due to decrease in Profit & company has incurred losses for the year.
Return on Capital employed	-55.75%	6.29%	-986.93%	Due to decrease in Profit & company has incurred losses for the year.
Return on investment	-55.75%	5.10%	-1193.73%	Due to decrease in Profit & company has incurred losses for the year.

HUMAN RESOURCE

The Company keeps developing its organizational structure consistently over time. Efforts are made to follow excellent Human Resource practices. Adequate efforts of the staff and management personnel are directed on imparting continuous training to improve the management practices.

The objective of your Company is to create a workplace where every person can achieve his or her full potential. The employees are encouraged to put in their best. Lot of hard work is put into ensure that new and innovative ideas are given due consideration to achieve the short- and long-term objectives of your company.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

The Company believes that strong internal control system and processes play a critical role in the health of the Company. The Company's well-defined organizational structure, documented policy guidelines, defined authority matrix and internal controls ensure efficiency of operations,

compliance with internal policies and applicable laws and regulations as well as protection of resources. Moreover, the Company continuously upgrades these processes and systems in line with the best available practices. The internal control system is supplemented by extensive internal audits, regular reviews by the management and standard policies and guidelines which ensure reliability of financial and all other records. The Company has, in material respect, an adequate internal financial control over financial reporting and such controls are operating effectively.

CAUTIONARY STATEMENT

The statements in the "Management Discussion and Analysis Report" section describes the Company's objectives, projections, estimates, expectations and predictions, which may be "forward looking statements" within the meaning of the applicable laws and regulations. The annual results can differ materially from those expressed or implied, depending upon the economic and climatic conditions, Government policies and other incidental factors.

ANNEXURE-II

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH ,2025
[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
HEM HOLDINGS AND TRADING LIMITED
601/602A, FAIRLINK CENTRE,
OFF ANDHERI LINK ROAD, ANDHERI (WEST), MUMBAI, M.H 400053

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by HEM HOLDINGS AND TRADING LIMITED, (hereinafter called “the company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the HEM HOLDINGS AND TRADING LIMITED books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2025, 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 herein after:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by HEM HOLDINGS AND TRADING LIMITED for the Financial Year ended on 31st March, 2025 according to the provisions of:

1. The Companies Act, 2013 and the rules made thereunder ;
2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder to the extent of Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of NBFC regulation for non accepting public Deposit;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; [Not applicable to the Company during the audit period];
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; [Not applicable to the Company during the audit period];
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; [Not applicable to the Company during the audit period];
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 [Not applicable to the Company during the audit period]; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 to the extent applicable; [Not applicable to the Company during the audit period];

We have also examined compliance with the applicable clause of the Secretarial Standards issued by The Institute of Company Secretaries of India and the Listing Agreements entered into by the Company with BSE Limited. We have not examined Financial Laws and necessary Rules, as the same has been audited by other independent Professionals.

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

We have relied on the representation made by the Company and its officers for systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company.

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 as mentioned above.

We further report that during the audit period there were no specific events / actions having a major bearing on the affairs of the company.

For Meena Naidu & Associates
Company Secretaries
FRN: S2022CG465700
Peer Review Certificate No.: 4660/2023

Sd/-
MEENA NAIDU
Mem No : A28193 COP NO :23853

Date : 30.05.2025
Place: Bhilai
UDIN: A028193G000474826

ANNEXURE 'A'

To,
The Members,
HEM HOLDINGS AND TRADING LIMITED
601/602A, FAIRLINK CENTRE,
OFF ANDHERI LINK ROAD, ANDHERI (WEST),
MUMBAI, M.H 400053

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices , we followed proved a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account 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, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with the management has conducted the affairs of the Company.

For Meena Naidu & Associates
Company Secretaries
FRN: S2022CG465700
Peer Review Certificate No.: 4660/2023

MEENA NAIDU
Mem No : A28193
COP NO :23853

ANNEXURE – III

NON-APPLICABILITY OF SUBMISSION OF REPORT ON CORPORATE GOVERNANCE AS PER EXEMPTION GIVEN OF CHAPTER IV OF SEBI (LODR) REGULATIONS, 2015

To the Members

HEM HOLDINGS AND TRADING LIMITED

This is to certify that as per Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the compliance with the corporate governance provisions as specified in Regulation 17 to 27 and Clauses (b) to (i) of Sub Regulation (2) of regulation 46 and Para C, D and E of Schedule V shall not be applicable in respect of: The Listed Entity having paid-up equity share capital not exceeding Rs. 10.00 Crore and net worth not exceeding Rs. 25.00 Crore as on the last day of the previous financial year. With regard to same, we would like to draw your kind attention that the paid-up equity share capital of the Company does not exceed rupees Ten Crore and Net Worth does not exceed rupees Twenty-Five Crore as on 31.03.2025. Therefore, it is not required to submit Report on Corporate Governance.

For and on behalf of the Board

Place: Bhilai

Date:30.05.2025

Sangeeta Ketan Shah
Managing Director

ANNEXURE-IV

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

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

To,
The Members
Hem Holdings and Trading Limited
601/602A, Fairlink Center , Off Andheri Link Road Andheri (W), Mumbai – 400053

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Hem Holdings and Trading Limited having CIN: L65990MH1982PLC026823 and having registered office at 601/602A, Fairlink Center , Off Andheri Link Road , Andheri (W), Mumbai – 400053 (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

SL No	Name of the Director	DIN	Date of Appointment in Company
1.	Ketan Moolchand Shah	00312343	29/01/2011
2.	Sangeeta Ketan Shah	05322039	18/03/2014
3.	Dolar Kirit Shah	09515662	18/12/2024
4.	Jigar Pankajbhai Dave	10420277	29/11/2024

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

For Meena Naidu & Associates Company
Secretaries
FRN: S2022CG465700
Peer Review Certificate No. 4660/2023

Sd/-
MEENA NAIDU
Mem No : A28193
COP NO :23853

Date : 30.05.2025
Place: Bhilai
UDIN: A028193G000474861

ANNEXURE-V

COMPLIANCE CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER [Pursuant to Regulation 17(8)] OF SEBI (LODR) REGULATIONS, 2015

To,
The Board of Directors
Hem Holdings & Trading Limited

We the undersigned, in our respective capacities as Chief Financial Officer to the best of our knowledge and belief certify that:

- a. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2025 and that to the best of our knowledge and belief, we state that:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the Auditors and the Audit Committee:
 - i. Significant changes, if any, in internal control over financial reporting during the year;
 - ii. Significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. No significant fraud witnessed during the year.

Supreet Kaur
Chief Financial Officer

Sangeeta Ketan Shah
Managing Director

HARSH JAIN & ASSOCIATES

Chartered Accountants

Phone No.: 0788-2325482 (Office)

Mobile No.: 93296-99700

E-mail: caharsh.jain@gmail.com

HARSH JAIN

(B.Com., LLB, FCA, DISA (ICA), DIRM)

“Saroj Chambers”

Opp. Gurudwara, Station Road,

Durg (C.G.) 491001

INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF,
HEM HOLDINGS AND TRADING LIMITED
CIN-L65990MH1982PLC026823
Registered Address: 601/602A,
Fairlink Centre, Opp. Andheri Link Road,
Andheri (West) Mumbai MH 400053**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Hem Holding & Trading Limited (the 'Company') (CIN: L65990MH1982PLC026823), which comprise the standalone balance sheet as at **31st March 2025**, and the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the 'standalone financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 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**, Net Loss and the 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 (the 'ICAI') 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.



Emphasis of Matter

We draw attention on the following matters. Our conclusion is not modified in respect of this matter.

- a. As per the regulatory framework for Non-Banking Financial Companies (NBFCs), the Reserve Bank of India (RBI) has mandated that all existing NBFCs are required to maintain a minimum Net Owned Fund (NOF) of ₹5 crore as at 31st March 2025. As of the reporting date, the Company has not maintained the minimum Net Owned Fund of ₹5 crore as required by the RBI.
- b. Company has written off the receivable of Rs.144.30 Lakhs during the year, which is disclosed under Note No. 20 to the financial statements.

These transactions are material to the financial statements and required significant audit attention due to the nature and magnitude of the amount, and its impact on the Company's financial position, result and operation. Accordingly, we identified this matter as Emphasis Matter.

Principal Audit Procedures:

We have started our audit procedures with understanding of the internal control environment related to impairment loss allowance. Our procedures over internal controls focused on recognition and measurement of impairment loss allowance. We assessed the design and tested the operating effectiveness of the selected key controls implemented by the Company.

We also assessed whether the impairment methodology used by the company is in line with Ind AS 109 "Financial instruments" requirements. Particularly we assessed the approach of the Company regarding definition of default, Probability of Default, Loss Given Default and incorporation of forward-looking information for the calculation of ECL.

For loans and advances which are assessed for impairment on a portfolio basis we performed particularly the following procedures:

- We tested the reliability of key data inputs and related management controls;
- We checked the stage classification as at the balance sheet date as per definition of default of the company;
- We validated the ECL model and calculation;
- We have also calculated the ECL provision manually for a selected sample; and
- We have assessed the assumptions made by the Company in making accelerated provision considering forward looking information and based on an event in a particular geographical range.

For loans and advances which are written off during the year under audit, we read and understood the methodology and policy laid down and implemented by the Company in this regard along with its compliance on sample basis.



Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion & Analysis, Director's Report and Corporate Governance Report but does not include the Standalone Financial Statements and our-auditor's report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances,



we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

1. 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, and the Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, no remuneration has been paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses during the year ended 31st March, 2025.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded



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

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

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

- v. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility and preservation of audit trail as per statutory requirements for record retention is applicable to the Company with effect from April 1, 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is applicable for the financial year ended March 31, 2025.

Based on our examination which included test checks performed by us, the company has used an accounting software for maintaining its books of account for the financial year ended on 31st March 2025 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 and the company has preserved the audit trail, as per the statutory requirements for the purpose of record retention.

For, Harsh Jain & Associates,
Chartered Accountants,
FRN- 007639C

CA Harsh Jain
(Partner)

M. No. 076736

UDIN: 25076736BMGW@I 8385



Place: Durg

Date: 30.05.2025

Annexure 'A' to the Auditors' Report –

The Annexure referred to in our Report to the members of Hem Holdings and Trading Limited on the Financial Statements for the year ended 31st March, 2025.

- i. In respect of its Fixed Assets: -
 - a. (A) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
(B) In respect of its Intangible assets, there being no intangible assets, this clause is not applicable.
 - b. As explained to us, the Company has a program for the physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the company and nature of its assets. No significant discrepancies were noticed on such verification.
 - c. We have inspected the original deeds of the immovable properties of the company held as fixed assets which are in the custody of the Company. Based on our audit procedures and the information and explanation received by us, we report that all title deeds of immovable properties of the company held as fixed assets are held in the name of the Company.
 - d. The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
 - e. No proceedings have been initiated or are pending against the company for holding any Benami property under the "Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.
- ii. (a) In respect of its Inventories, there being no inventory, this clause is not applicable.
(b) During any point of time of the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks or financial institutions on the basis of security of current assets.
- iii. In respect of investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties:
 - a. (A) The company has granted loan/advances to associate company and year-end balance was Rs.6,95,46,583/-.
(B) The company has not granted loan/advances to parties other than subsidiaries, joint ventures and associates.
 - b. According to the information and explanations given to us, the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.
 - c. According to the information and explanations given to us, there is no stipulation as to receipt of principal and interest.
 - d. According to the information and explanations given to us, there is no overdue amount of loans granted to the companies.



- e. There is no such loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- f. The Company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to associate company, and the year-end balance was Rs.6,95,46,583/-, percentage thereof to the total loans granted was 100%.
- iv. In our opinion and according to information and explanations given to us, the Company has complied with provisions 4 of Section 185 and 186 of the Act in respect of loans, investments, guarantees and security.
- v. The Company has not accepted any deposits from the public during the period to which the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder are applicable.
- vi. According to the information and explanations provided by the management, the Company is not engaged in production of any such goods or provision of any such services for which Central Govt. has prescribed particulars relating to utilization of material or labor or other items of cost. Hence, no cost records, as prescribed by the central government under section 148(1) of the Companies Act, 2013, have been prepared by the Company.
- vii. In respect of statutory dues: -
- a. According to the information and explanations given to us, undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, Goods & Service Tax and other statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2025 for a period of more than six months from the date of becoming payable.
- b. There are no disputed statutory dues.
- viii. No transactions are being recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The company is not a declared willful defaulter by any bank or financial institution or other lender.
- (c) The company has not applied for any term loans during the year.
- (d) The company has not raised any funds on short term basis which has utilized for long term purposes.
- (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.



- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) The company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year were applied for the purposes for which those are raised.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- xi. (a) In our opinion and according to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year that causes the financial statements to be materially misstated.
- (b) No report under sub-Section (12) of Section 143 of the Companies 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) the auditor has not received any whistle-blower complaints.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company as prescribed under section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. The company has an internal audit system commensurate with the size and nature of its business.
- xv. The company has not entered into any non-cash transactions with directors or persons connected with him as prescribed under section 192 of the Companies Act, 2013.
- xvi. (a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration. However, the Company has not maintained the minimum Net Owned Fund of ₹5 crore as required by the RBI as on the reporting date.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined under the Regulations by the Reserve Bank of India.
- xvii. The Company has incurred cash loss of Rs 1,19,23,502/- in the current financial year and in the immediately preceding financial year there was a cash profit of Rs.20,19,567/-.
- xviii. There has been no resignation of the statutory auditors during the year.



- 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, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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. In our opinion and according to the information and explanations given to us, and based on our examination of the records of the company, provisions of section 135 of the Companies Act, 2013 is not applicable on the company. Accordingly, clauses 3(xx) (a) and 3(xx) (b) of the Order are not applicable.
- xxi. Since the company's financial statement is not being consolidated with any other companies. Therefore, this clause is not applicable.

For, Harsh Jain & Associates,
Chartered Accountants
FRN- 007639C



CA Harsh Jain
(Partner)

Mem. No.076736

UDIN: 25076736BMGW@I8385



Place: Durg

Date: 30.05.2025

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of Hem Holdings and Trading Limited ("the Company") as of 31st March, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls Over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 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 ICAI.

For, Harsh Jain & Associates,
Chartered Accountants
FRN- 007639C

CA Harsh Jain
(Partner)

M. No.076736

UDIN: 2507673B MGW@I 8385



Place: Durg

Date: 30.05.2025

HEM HOLDINGS & TRADING LIMITED

CIN:- L65990MH1982PLC026823

Address:- 601/602-A, FAIRLINK CENTRE, OPP. ANDHERI LINK ROAD, ANDHERI (WEST), MUMBAI-400053

Standalone Balance Sheet as at 31st March, 2025

(Rs. In Thousand)

Particulars	Note no.	As at 31.03.2025	As at 31.03.2024
ASSETS			
Financial assets			
Cash and cash equivalents	4	3,024.15	795.49
Receivables	5	-	14,430.24
Loans	6	69,546.58	6,396.62
Investments	7	-	7,292.83
Other financial assets	8	2,819.83	2.05
Total financial assets		75,390.56	28,917.22
Non-financial assets			
Current tax assets (net)	9	374.61	-
Deferred tax assets (net)	21	-	-
Property, plant and equipment	10	-	2,926.73
Total non-financial asset		374.61	2,926.73
Total Assets		75,765.18	31,843.95
LIABILITIES AND EQUITY LIABILITIES			
Financial liabilities			
Payables			
(I) Trade payables			
(i) total outstanding dues of micro and small enterprises			
(ii) total outstanding dues of creditors other than micro and small enterprises	11(a)	15.62	9.53
(II) Other payables			
(i) total outstanding dues of micro and small enterprises			
(ii) total outstanding dues of creditors other than micro and small enterprises	11(b)	68.10	71.10
Other financial liabilities	11(c)	54,100.00	365.92
Total financial liabilities		54,183.72	446.55
Non-financial liabilities			
Current tax liabilities (net)	21	-	211.69
Deferred tax liabilities (net)	21	-	1,436.29
Other non-financial liabilities	12	1.40	2.43
Total non-financial liabilities		1.40	1,650.41
Total Liabilities		54,185.12	2,096.96
EQUITY			
Equity share capital	13	2,400.00	2,400.00
Other equity	14	19,180.05	27,346.99
Total Equity		21,580.05	29,746.99
Total Liabilities and Equity		75,765.18	31,843.95

Significant accounting policies & notes to Financial Statements - 2 In terms of our report of even date attached

For, M/s Harsh Jain & Associates
Chartered Accountants
FRN: 007639C

CA Harsh Jain
Partner
Mem. No. 076736
UDIN: 25076736BMGWRI8385

Place: Durg
Date: 30.05.2025



For & on behalf of the Board of Directors

Sangeeta Ketan Shah
Managing Director
DIN- 05322039

Ketan Moolchand Shah
Director
DIN- 00312343

Roshni Alkesh Agrawal
Company Secretary

Supreet Kaur
Chief Financial Officer

(Signatures)
Sangeeta Ketan Shah
KMS
Ketan Moolchand Shah
RMS
Roshni Alkesh Agrawal
Supreet Kaur

HEM HOLDINGS & TRADING LIMITED

CIN:- L65990MH1982PLC026823

Address:- 601/602-A, FAIRLINK CENTRE, OPP. ANDHERI LINK ROAD, ANDHERI (WEST), MUMBAI-400053

Standalone Statement of Profit and Loss for the year ended on 31.03.2025

(Rs. In Thousand)

Particulars	Note no.	As at 31.03.2025	As at 31.03.2024
I. Revenue from Operations			
Dividend Income		-	-
Interest & Other Financial Income	15	2,996.13	2,513.52
Total revenue from operations		2,996.13	2,513.52
Other Income	16	750.00	996.66
Total Income		3,746.13	3,510.17
II. Expenses			
Finance Costs	17	4.53	7.06
Employee benefits expenses	18	93.17	114.31
Depreciation and amortization	19	106.90	149.83
Other expenses	20	15,571.94	1,369.24
Total expenses		15,776.53	1,640.44
Profit before exceptional items and tax (I-II)		(12,030.40)	1,869.74
Exceptional items		-	-
III. Profit before tax		(12,030.40)	1,869.74
IV. Tax expense:			
Current tax	21	-	353.53
Deferred tax	21	-	-
Tax adjustment for earlier years		-	-
Net tax expense		-	353.53
V. Profit/(Loss) for the year (III-IV)		(12,030.40)	1,516.21
VI. Other comprehensive income			
(A) Items that will not be reclassified to profit or loss:			
- Net gain / (loss) on equity instruments measured through OCI		2,427.18	5,303.43
- Income tax impact		-	(1,378.89)
Total (A)		2,427.18	3,924.54
(B) Items that will be reclassified to profit or loss:			
- Loans and advances through OCI		-	-
- Income tax impact on above		-	-
Total (B)		-	-
Other comprehensive income (A+B)		2,427.18	3,924.54
VII. Total comprehensive income (V + VI)		(9,603.23)	5,440.75
VIII. Earnings per equity share (of Rs. 10 each):	22		
Basic (Rs.)		(50.13)	6.32
Diluted (Rs.)		(50.13)	6.32

Significant accounting policies & notes to Financial Statements - 2 In terms of our report of even date attached

For, M/s Harsh Jain & Associates
Chartered Accountants
FRN: 007639C

CA Harsh Jain
Partner
Mem. No. 076736
UDIN:

Place: Durg
Date: 30.05.2025

UDIN:-25076736 BMGWRI8385



For & on behalf of the Board of Directors

Sangeeta Ketan Shah
Managing Director
DIN- 05322039

Ketan Moolchand Shah
Director
DIN- 00312343

Roshni Alkesh Agrawal
Company Secretary

Supreet Kaur
Chief Financial Officer

(Signatures of Sangeeta Ketan Shah, Ketan Moolchand Shah, Roshni Alkesh Agrawal, and Supreet Kaur)

HEM HOLDINGS & TRADING LIMITED
Standalone Statement of changes in Equity for the year ended 31.03.2025

(A) Equity Share Capital

In Rs. ('000)

Equity Share of Rs. 10 each, issued, subscribed and fully paid up	
Balance as on 31st March 2023	2,400.00
Changes in equity share capital during the year	-
Balance as on 31st March 2024	2,400.00
Changes in equity share capital during the year	-
Balance as on 31st March 2025	2,400.00

(B) Other Equity

	Reserves and Surplus			Other comprehensive income	Total
	Special Reserve Fund	General Reserves	Retained Earnings	Equity Instruments through OCI	
Balance as at 31st March 2023	1,830.00	38.40	19,874.48	163.37	21,906.24
Profit for the year	-	-	1,516	-	1,516
Other comprehensive income (net of taxes)	-	-	-	3,924.54	3,924.54
Transfer to Special Reserve u/s 45-IC of RBI	303.24	-	(303.24)	-	-
Balance as at 31st March 2024	2,133.24	38.40	21,087.44	4,087.90	27,346.99
Profit for the year	-	-	(12,030.40)	-	(12,030.40)
Other comprehensive income	-	-	-	2,427.18	2,427.18
Transfer of OCI to Reained Earnings (Share Sold)	-	-	2,427.18	(2,427.18)	-
Transfer of OCI to Reained Earnings (Remaining Balance)	-	-	4,087.90	(4,087.90)	-
Deffered Tax Balance to Retained Earnings	-	-	1,436.29	-	1,436.29
Balance as at 31st March 2025	2,133.24	38.40	17,008.41	-0.00	19,180.05



HEM HOLDINGS & TRADING LIMITED

CIN:- L65990MH1982PLC026823

Address:- 601/602-A, FAIRLINK CENTRE, OPP. ANDHERI LINK ROAD, ANDHERI (WEST), MUMBAI-400053

Standalone Statement of Cash Flows for the year ended 31st March 2025

Particulars	(Rs. In Thousand)	
	Year ended 31.03.2025	Year ended 31.03.2024
A Cash Flow from operating activities		
Profit/(Loss) After tax	(12,030.40)	1,516.21
Adjustments for:		
- Depreciation/amortization	106.90	149.83
- Profit/(Loss) on sale of investments		-
- Dividend Income		-
Operating profit before working capital changes	(11,923.50)	1,666.04
Movements in working capital :		
Decrease/(Increase) in receivables	14,430.24	(1,882.21)
Decrease/(Increase) in loans	(63,149.96)	(5,927.96)
Decrease/(Increase) in other financial assets	2.05	-
Decrease/(Increase) in other non-financial assets	(374.61)	64.21
Increase/(Decrease) in trade payables	3.09	15.27
Increase/(Decrease) in other financial liabilities	53,734.08	156.92
Increase/(Decrease) in other non-financial liabilities	(212.72)	163.10
Cash generated from/(used in) operations	(7,491.33)	(5,744.63)
Direct taxes paid (net of refunds)	-	-
Net Cash flow from/(used in) operating activities	A (7,491.33)	(5,744.63)
B Cash flows from investing activities		
Purchase of fixed assets + CWIP + Cap Advance	9,720.00	-
Proceeds from sale of Fixed Assets/ Investments		
Dividend Received		
Interest received		
Net cash flow from/(used in) investing activities	B 9,720.00	-
C Cash flows from financing activities		
Interest paid		-
Net cash flow from/(used in) financing activities	C -	-
Net Increase in Cash & Cash Equivalents (A+B+C)	2,228.67	(5,744.63)
Cash and Cash Equivalents at the beginning of the year	795.49	6,540.12
Cash and Cash Equivalents at the end of the year	3,024.15	795.49
Components of cash and cash equivalents		
Cash and cash equivalents at the end of the year		
Cash on hand	-	21.89
Balances with banks	3,024.15	773.60
Total cash and cash equivalents	3,024.15	795.49

The above cash flow statement has been prepared under the indirect method set out in Ind AS 7 - Statement of Cash Flow.
Significant accounting policies & notes to Financial Statements - 2 In terms of our report of even date attached

For, M/s Harsh Jain & Associates

Chartered Accountants

FRN:

CA Harsh Jain

Partner

Mem. No. 076736

UDIN:

Place: Durg

Date: 30.05.2025

UDIN: 2507673BMGWQI8385



For & on behalf of the Board of Directors

Sangeeta Ketan Shah

Managing Director

DIN- 05322039

Ketan Moolchand Shah

Director

DIN- 00312343

Roshni Alkesh Agrawal

Company Secretary

Supreet Kaur

Chief Financial Officer

HEM HOLDINGS & TRADING LIMITED

Disclosure of Accounting Ratios for the year ended 31.03.2025

	2024-25		2023-24		Variation	Reason for variation more than 25%
(a) Current Ratio						
Numerator (Cash & cash Equivalents & other current assets)	3,398.77	4059.49%	795.49	120.85%	3259.09%	Due to increase in Current Assets
Denominator (Current Liabilities)	83.72		658.24			
(b) Debt-Equity Ratio						
Numerator (Debt)	N.A.		N.A.		N.A.	N.A.
Denominator (Equity)	(The Company has no debts)		(The Company has no debts)			
(c) Debt Service Coverage Ratio						
Numerator (Net Profit after tax + Interest + Depreciation)	N.A.		N.A.		N.A.	N.A.
Denominator (Interest + Principal repayment)	(The Company has no debts for repayment)		(The Company has no debts for repayment)			
(d) Return on Equity Ratio						
Numerator (Net Profit after tax)	-12,030.40	-55.75%	1,516.21	5.10%	-1193.73%	Due to decrease in Profit & company has incurred losses for the year.
Denominator (Shareholder's Equity)	21,580.05		29,746.99			
(e) Inventory turnover ratio						
Numerator (Average Inventory)	N.A.		N.A.		N.A.	N.A.
Denominator (Cost of Goods Sold)	(The Company has no Inventory)		(The Company has no Inventory)			
(f) Trade Receivables turnover ratio						
Numerator (Net Credit Sales)	N.A.		N.A.		N.A.	N.A.
Denominator (Average Accounts receivable)	(The Company has no Sales)		(The Company has no Sales)			
(g) Trade payables turnover ratio						
Numerator (Net Credit Purchase)	N.A.		N.A.		N.A.	N.A.
Denominator (Average Accounts Payable)	(Company has no Purchases)		(Company has no Purchases)			
(h) Net capital turnover ratio						
Numerator (Total Sales/Gross Receipts)	3,746.13	17.36%	3,510.17	11.80%	47.11%	Due to Gross Receipts increased & Shareholder's Equity decreased.
Denominator (Shareholder's Equity)	21,580.05		29,746.99			
(i) Net profit ratio						
Numerator (Net Profit after tax)	-12,030.40	-321.14%	1,516.21	43.19%	-843.47%	Due to decrease in Profit & company has incurred losses for the year.
Denominator (Total Turnover/Gross Receipts)	3,746.13		3,510.17			
(j) Return on Capital employed						
Numerator (Earning Before Interest and Taxes)	-12,030.40	-55.75%	1,869.74	6.29%	-986.93%	Due to decrease in Profit & company has incurred losses for the year.
Denominator (Shareholders Equity + Long Term Liability)	21,580.05		29,746.99			
(k) Return on investment						
Numerator (Net Profit)	-12,030.40	-55.75%	1,516.21	5.10%	-1193.73%	Due to decrease in Profit & company has incurred losses for the year.
Denominator (Shareholder's Investment)	21,580.05		29,746.99			



Notes forming Part of the Standalone Financial Statements for the year ended 31st March 2025

1. CORPORATE INFORMATION

Hem Holdings and Trading Limited (the "Company") is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956 (CIN-L65990MH1982PLC026823). It is registered as an investment and non-deposit taking non-banking finance Company ("NBFC") with Reserve Bank of India ("RBI"). The Company is engaged in the business of investment in mutual funds and in equity shares including in group companies as also providing loans to group companies. Its shares are listed in only one recognized stock exchange i.e., BSE Limited (BSE).

The Company's registered office is at 601 / 602-A, Fairlink Centre, Off Andheri Link Road, Andheri (West), Mumbai-400053, Maharashtra, India.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (the "Ind AS") prescribed under section 133 of the Companies Act, 2013 (the "Act").

2.2 Presentation of financial statements

The Balance Sheet, the Statement of Changes in Equity and the Statement of Profit and Loss are presented in the format prescribed under Division III of Schedule III of the Act, as amended from time to time, for Non-Banking Financial Companies ('NBFCs') that are required to comply with Ind AS. The Statement of Cash Flows has been presented as per the requirements of Ind AS 7 Statement of Cash Flows.

The Company presents its balance sheet in order of liquidity. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after thereporting date (non-current) is presented in Note 31.

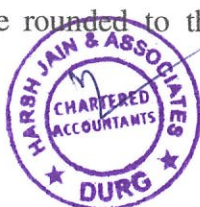
Financial assets and financial liability are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognized amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- i) The normal course of business
- ii) The event of default

2.3 Basis of Preparation

The standalone financial statements have been prepared under the historical cost convention on accrual basis except for certain financial assets which have been measured at fair values at the end of each reporting period as explained in the accounting policies below.

The standalone financial statements are presented in Indian Thousand Rupees (Rs.'000.) which is the currency of the primary economic environment in which the Company operates (the "functional currency"). The values are rounded to the nearest rupee, except when otherwise indicated.



2.4 Use of estimates, judgements and assumptions

The preparation of the standalone financial statements in conformity with Ind AS requires management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgements

In the process of applying the Company's accounting policies, management has made judgements, which have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

i) Business model assessment

Classification and measurement of financial assets depends on the results of business model and the solely payments of principal and interest ("SPPI") test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortized cost or fair value through other comprehensive income that are de-recognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

Estimates and assumptions

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

i) Fair value of financial instruments

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial



liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. For further details about determination of fair value refer note 3.9.

ii) Effective interest rate ("EIR") method

The Company's EIR methodology, as explained in Note 3.1(A), recognizes interest income / Expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioral life of loans given / taken and recognizes the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behavior and life cycle of the instruments, as well as expected changes to interest rates and other fee income / expense that are integral parts of the instrument.

iii) Impairment of financial asset

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's expected credit loss ("ECL") calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their inter dependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- a) The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a life time expected credit loss ("LTECL") basis.
- b) Development of ECL models, including the various formulas and the choice of inputs.
- c) Determination of associations between macro-economic scenarios and economic inputs, such as gross domestic products, lending interest rates and collateral values, and the effect on probability of default ("PD"), exposure at default ("EAD") and loss given default ("LGD").
- d) Selection of forward-looking macro-economic scenarios and their probability weightings, to derive the economic inputs into ECL models.

iv) Provisions and other contingent liabilities

The Company operates in a regulatory and legal environment that, by nature, has a heightened element of litigation risk inherent to its operations. As a result, it is involved in various litigation, arbitration and regulatory investigations and proceedings in the ordinary course of the Company's business.



When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the outflow is considered to be probable, but a reliable estimate cannot be made, a contingent liability is disclosed.

Given the subjectivity and uncertainty of determining the probability and number of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents. Significant judgement is required to conclude on these estimates.

For further details on provisions and other contingencies refer note 3.17.

These estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. Management believes that the estimates used in preparation of the standalone financial statements are prudent and reasonable.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Recognition of interest income

A. EIR method

Under Ind AS 109, interest income is recorded using the effective interest rate method for all financial instruments measured at amortized cost and financial instrument measured at FVOCI. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortized cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognizes interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the financial instrument.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortized through Interest income in the statement of profit and loss.

B. Interest income

The Company calculates interest income by applying EIR to the gross carrying amount of financial assets other than credit impaired assets.

When a financial asset becomes credit impaired and is, therefore, regarded as 'stage 3', the Company calculates interest income on the net basis. If the financial asset cures and is no longer credit impaired, the Company reverts to calculating interest income on gross basis?



3.2 Financial instrument - Initial recognition

A. Date of recognition

Debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

B. Initial measurement of financial instruments

The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments (Refer note 3.3(A)). Financial instruments are initially measured at their fair value (as defined in Note 3.9), except in the case of financial assets and financial liabilities recorded at FVTPL, transaction costs are added to, or subtracted from this amount.

C. Measurement categories of financial assets and liabilities

The Company classifies all of its financial assets based on the business model for managing the assets and the asset's contractual terms, measured at either:

- i) Amortized cost
- ii) FVOCI
- iii) FVTPL

i) Financial assets and liabilities

A. Financial assets

Business model assessment

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The Company's business model is not assessed on an Instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- a) How the performance of the business model and the financial assets held within that business model are evaluated and reported to the Company's key management personnel.
- b) The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed.
- c) How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cashflows collected).
- d) The expected frequency, value and timing of sales are also important aspects of the Company's assessment.



The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cashflows after initial recognition are realized in a way that is different from the Company's original expectations, the Company does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

SPPI test

As a second step of its classification process, the Company assesses the contractual terms of financial assets to identify whether they meet SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of financial asset (for example, if there are repayments of principal or amortization of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Company applies judgement and considers relevant factors such as the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Accordingly, financial assets are measured as follows:

i) Financial assets carried at amortized cost ("AC")

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets measured at FVOCI

A financial asset is measured at FVOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Since, the loans and advances are held to sale and collect contractual cash flows, they are measured at FVOCI.

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

A financial asset which is not classified in any of the above categories is measured at FVTPL.



iv) Other equity investments

All other equity investments are measured at fair value, with value changes recognized in other comprehensive income ("OCI").

B. Financial liability

i) Initial recognition and measurement

All financial liability is initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liability, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

ii) Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method.

3.3 Reclassification of financial assets and liabilities

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified. The Company did not reclassify any of its financial assets or liabilities in the year ended 31st March 2025 and 31st March 2024.

3.4 Derecognition of financial assets and liabilities

A. Derecognition of financial assets due to substantial modification of terms and conditions

The Company de-recognizes a financial asset, such as a loan to a customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan, with the difference recognized as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded. The newly recognized loans are classified as Stage 1 for ECL measurement purposes.

B. Derecognition of financial assets other than due to substantial modification

i) Financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is de-recognized when the contractual rights to the cash flows from the financial asset expires or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new asset obtained less any new liability assumed) is recognized in the statement of profit and loss.



Accordingly, gain on sale or de recognition of assigned portfolio are recorded upfront in the statement of profit and loss as per Ind AS109. Also, the Company recognizes servicing income as a percentage of interest spread over tenure of loan in cases where it retains the obligation to service the transferred financial asset.

As per the guidelines of RBI, the company is required to retain certain portion of the loan assigned to parties in its books as Minimum Retention Requirement ("MRR"). Therefore, it continues to recognize the portion retained by it as MRR.

ii) **Financial liability**

A financial liability is de-recognized when the obligation under the liability is discharged, cancelled or expires. Where 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 derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognized in the statement of profit and loss.

3.5 Impairment of financial assets

A. Overview of ECL principles

In accordance with Ind AS 109, the Company uses ECL model, for evaluating impairment of financial assets other than those measured at FVTPL.

Expected credit losses are measured through a loss allowance at an amount equal to:

- i) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- ii) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

Both LTECLs and 12 months ECLs are calculated on collective basis.

Based on the above, the Company categorizes its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1: When loans are first recognized, the Company recognizes an allowance based on 12 months ECL. Stage 1 loans include those loans where there is no significant credit risk observed and also includes facilities where the credit risk has been improved and the loan has been reclassified from stage 2 or stage 3.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the life time ECL. Stage 2 loans also include facilities where the credit risk has improved and loan has been reclassified from stage 3.



Stage 3: Loans considered credit impaired are the loans which are past due for more than 90 days. The Company records an allowance for life time EGL.

Loan commitments: When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down.

B. Calculation of ECLs

The mechanics of EGL calculations are outlined below and the key elements are, as follows:

PD Probability of Default ("PD") is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognized and is still in the portfolio.

EAD Exposure at Default ("EAD") is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest.

LGD Loss Given Default ("LGD") is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It is usually expressed as a percentage of the EAD.

The Company has calculated PD, EAD and LGD to determine impairment loss on the portfolio of loans and discounted at an approximation to the EIR. At every reporting date, the above calculated PDs, EAD and LGDs are reviewed and changes in the forward- looking estimates are analyzed.

The mechanics of the EGL method are summarized below:

Stage 1: The 12 months EGL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12 months ECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-months default probabilities are applied to a forecast EAD and multiplied by the expected LGD and discounted by an approximation to the original EIR.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument. The expected cash shortfalls are discounted by an approximation to the original EIR.



Stage 3: For loans considered credit-impaired, the Company recognizes the lifetime expected credit losses for these loans. The method is similar to that for stage 2 assets, with the PD set at 100%.

C. Loans and advances measured at FVOCI

The ECLs for loans and advances measured at FVOCI do not reduce the carrying amount of these financial assets in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the assets were measured at amortized cost is recognized in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated loss recognized in OCI is recycled to the profit and loss upon derecognition of the assets.

D. Forward looking information

In its ECL models, the Company relies on a broad range of forward-looking macroparameters and estimated the impact on the default at a given point of time.

- i) Gross fixed investment (% of GDP)
- ii) Lending interest rates
- iii) Deposit interest rates

3.6 Write-offs

Financial assets are written off when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to impairment on financial instruments in the statement of profit and loss.

3.7 Determination of fair value

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company has taken into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 financial instruments: Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date;



- Level 2 financial instruments: Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads; and
- Level 3 financial instruments: Those that include one or more unobservable input that is significant to the measurement as whole.

3.8 (1) Recognition of other income

Revenue (other than for those items to which Ind AS 109 - Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 - Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Company recognizes revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognize revenue when (or as) the Company satisfies a performance obligation.

A. Dividend income

Dividend income (including from FVOCI investments) is recognized when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.



B. Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in rental income in the statement of profit and loss, unless the increase is in line with expected general inflation, in which case lease income is recognized based on contractual terms.

C. Other interest income

Other interest income is recognized on a time proportionate basis.

D. Fees and commission income

Fees and commission income such as stamp and document charges, guarantee commission, service income etc. are recognized on point in time basis.

3.9 (II) Recognition of other expense

A. Borrowing costs

Borrowing costs are the interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

All other borrowing costs are charged to the statement of profit and loss for the period for which they are incurred.

3.10 Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

3.11 Property, plant and equipment

Property, plant and equipment ("PPE") are carried at cost, less accumulated depreciation and impairment losses, if any. The cost of PPE comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses. Subsequent expenditure on PPE after its purchase is capitalized only if it is probable that the future economic benefits will flow to the enterprise and the cost of the item can be measured reliably.

Depreciation is calculated using the written down value method to write down the cost of property and equipment to their residual values over their estimated useful lives as specified under schedule II of the Act.



Land is not depreciated.

The estimated useful lives are, as follows:

- i) Buildings - 60 years
- ii) Office equipment - 3 to 10 years
- iii) Furniture and fixtures - 10 years
- iv) Vehicles - 8 years

Depreciation is provided on a pro-rata basis from the date on which such asset is ready for its intended use.

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

PPE is de-recognized on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in other income / expense in the statement of profit and loss in the year the asset is de- recognized.

3.12 Intangible assets

The Company's intangible assets include the value of software. An intangible asset is recognized only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

Amortization is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives (three years) using the straight-line method, and is included in depreciation and amortization in the statement of profit and loss.

3.13 Impairment of non-financial assets - property, plant and equipment's and Intangible assets

The carrying values of assets/ cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and if the carrying amount of these assets exceeds their recoverable amount, impairment loss is recognized in the statement of profit and loss as an expense, for such excess amount. The recoverable amount is the greater of the net selling price and value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the statement of profit and loss.



3.14 Leasing

The determination of whether an arrangement is a lease, or contains a lease, is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets or whether the arrangement conveys a right to use the asset.

Company as a lessee

Leases that do not transfer to the Company substantially all of the risks and benefits incidental to ownership of the. Leased items are operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the increase is in line with expected general inflation, in which case lease payments are recognized based on contractual terms.

Company as a lessor

Leases where the Company does not transfer substantially all of the risk and benefits of ownership of the asset are classified as operating leases. Rental income arising from operating leases is accounted for on a straight-line basis over the lease terms and is included in rental income in the statement of profit and loss, unless the increase is in line with expected general inflation, in which case lease income is recognized based on contractual terms. Initial direct costs incurred in negotiating operating leases are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income.

3.15 Corporate guarantees

Corporate guarantees are initially recognized in the standalone financial statements (within "other non-financial liabilities") at fair value, being the notional commission. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Any increase in the liability relating to financial guarantees is recorded in the statement of profit and loss. The notional commission is recognized in the statement of profit and loss under the head fees and commission income on a straight-line basis over the life of the guarantee.

3.16 Retirement and other employee benefits, Defined contribution plans

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.



Defined benefit plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation / retirement. The gratuity is paid @15days salary for every completed year of service as per the Payment of Gratuity Act, 1972.

The gratuity liability amount is contributed by the Company to the Life insurance corporation of India who administers the fund of the Company.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

As per Ind AS 19, the service cost and the net interest cost are charged to the statement of profit and loss. Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized in OCI.

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service. A liability is recognized for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

3.17 Provisions, contingent liabilities and contingent assets

A. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.



B. Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or; present obligation that arises from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability are disclosed as contingent liability and not provided for.

C. Contingent asset

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are neither recognized nor disclosed in the financial statements.

3.18 Taxes

A. Current tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. Current tax is the amount of tax payable on the taxable income for the period as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or equity.

B. Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or equity.

Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off.



- C. Goods and services tax paid on acquisition of assets or on incurring expenses for assets are recognized net of the goods and services tax paid, except when the tax incurred on a purchase of assets or availing of services is not recoverable from the taxation authority, in which case, the tax paid is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable.

The net amount of tax recoverable from, or payable to the taxation authority is included as part of receivables or payables in the balance sheet.

3.19 Earnings per share

Basic earnings per share ("EPS") is computed by dividing the profit after tax (i.e., profit attributable to ordinary equity holders) by the weighted average number of equities shares outstanding during the year.

Diluted EPS is computed by dividing the profit after tax (i.e., profit attributable to ordinary equity holders) as adjusted for after-tax amount of dividends and interest recognized in the period in respect of the dilutive potential ordinary shares and is adjusted for any other changes in income or expense that would result from the conversion of the dilutive potential ordinary shares, by the weighted average number of equity shares considered for deriving basic earnings per share as increased by the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits, right issue and bonus shares, as appropriate.

3.20 Dividends on ordinary shares

The Company recognizes a liability to make cash or non-cash distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the Act, final dividend is authorized when it is approved by the shareholders and interim dividend is authorized when it is approved by the Board of Directors of the Company. A corresponding amount is recognized directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognized directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognized in the statement of profit and loss.



HEM HOLDINGS & TRADING LIMITED
Notes forming Part of Standalone Financial Statements as at 31st March 2025 (Contd.)

		(Amount in Rs.'000)	
		As at 31.03.2025	As at 31.03.2024
Note 4. Cash and Cash Equivalents			
Cash in Hand		-	21.89
<u>Balances with Banks:</u>			
In current accounts		3,024.15	773.60
Total cash and cash equivalents		3,024.15	795.49

Note 5. Receivables

Trade Receivables

Trade receivables considered good-unsecured		-	-
	Total	-	-
Allowances for Impairment loss		-	-
	Total	-	-

Other receivables

Other receivables considered good-unsecured		-	-
(a) From 0 to 1 year		-	1,882.21
(b) From 1 to 2 year		-	-
(c) From 2 to 3 year		-	-
(a) From 3 to infinite years		-	12,548.04
	Total	-	14,430.24
Allowances for Impairment loss		-	-
	Total	-	14,430.24
Total Receivables		-	14,430.24

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person.

1 Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

2 As on 31st March 2024, the Company had a receivable of ₹1,44,30,342, which was not recoverable. The company tried all possible measures before taking this decision and it is now being decided to write off this receivable balance in FY 2024-25.

		(Amount in Rs.'000)	
		As at 31.03.2025	As at 31.03.2024
Note 6. Loans			
(A) Term Loans		-	-
(B) Secured by tangible assets		-	-
(C) Unsecured		69,546.58	6,396.62
	Total (B)	69,546.58	6,396.62
(D) (I.) Loans in India			
Public sector		-	-
Private sector		69,546.58	6,396.62
	Total (C)- Gross	69,546.58	6,396.62
(D) (II.) Loans outside India		-	-
	Total (C) (I) and (C) (II)	69,546.58	6,396.62

Refer Note No. 27(b) for loan to company in which directors are interested



HEM HOLDINGS & TRADING LIMITED
Notes forming Part of Standalone Financial Statements as at 31st March 2025 (Contd.)

Note 7. Investments

		(Amount in Rs.'000)					
		As at 31.03.2025			As at 31.03.2024		
		At fair value through OCI	Others	Total	At fair value through OCI	Others	Total
		1	2	(3=1+2)	1	2	(3=1+2)
Investments							
Equity instruments		-	-	-	7,292.83	-	7,292.83
Mutual Funds		-	-	-	-	-	-
Total (A)		-	-	-	7,292.83	-	7,292.83
(i) Investments outside India		-	-	-	-	-	-
(ii) Investments in India		-	-	-	7,292.83	-	7,292.83
Total (B)		-	-	-	7,292.83	-	7,292.83
Less: Allowances for Impairment Loss (C)		-	-	-	-	-	-
Total- Net (D) = (B) - (C)		-	-	-	7,292.83	-	7,292.83
Average cost of Investments		-	-	-	1,768.63	-	-

Explanatory Note:- Sale of Investment:- During the year company sold the equity share of Simplex Casting Ltd. amounting to Rs.97.20 Lakhs to related party and capital gain of Rs.79.51 Lakhs earned by the company.



HEM HOLDINGS & TRADING LIMITED
Notes forming Part of Standalone Financial Statements as at 31st March 2025 (Contd.)

		(Amount in Rs.'000)	
		As at 31.03.2025	As at 31.03.2024
Note 8. Other financial assets			
Security deposits		-	2.05
Assets Held for Sale		2,819.83	-
Interest accrued but not due on bank deposits		-	-
Total other financial assets		2,819.83	2.05

Note 9. Current Tax Assets (Net)			
Advance Income Tax /TDS Receivable		374.61	-
Total Current Tax Assets		374.61	-

		(Amount in Rs.'000)			
		Property, Plant & Equipments (a)			Intangible Assets (b)
Nature of assets		Buildings	Vehicles	Total	Total
Deemed cost					
As at 31st March 2023		3,994.04	-	3,994.04	-
Additions		-	-	-	-
Disposal		-	-	-	-
As at 31st March 2024		3,994.04	-	3,994.04	-
Additions		-	-	-	-
Disposal		-	-	-	-
As at 31st March 2025		3,994.04	-	3,994.04	-
Depreciation/Amortization					
As at 31st March 2023		917.48	-	917.48	-
Depreciation/amortization charge		149.83	-	149.83	-
Disposal		-	-	-	-
As at 31st March 2024		1,067.31	-	1,067.31	-
Depreciation/amortization charge		106.90	-	106.90	-
Disposal		-	-	-	-
As at 31st March 2025		1,174.21	-	1,174.21	-
Less:- Transferred to Assets held on Sale		2,819.83	-	-	-
Net Block value					
As at 31st March 2023		3,076.55	-	3,076.55	-
As at 31st March 2024		2,926.73	-	2,926.73	-
As at 31st March 2025		-0.00	-	2,819.83	-

Note:- During the Month of January 2025 Assets transferred to Held for sale so Depreciation is considered for only 9 months

Since the company's intention is to sell the land & building, the same has been reclassified as assets held for sale in the financial statements.

		(Amount in Rs.'000)	
		As at 31.03.2025	As at 31.03.2024
Note 11(a). Trade Payables			
(a) From 0 to 1 year		15.62	9.53
(b) From 1 to 2 year		-	-
(c) From 2 to 3 year		-	-
(a) From 3 to infinite years		-	-
Total Trade Payables		15.62	9.53
Note 11(b). Other Payables			
(a) From 0 to 1 year		68.10	71.10
(b) From 1 to 2 year		-	-
(c) From 2 to 3 year		-	-
(a) From 3 to infinite years		-	-
Total Other Payables		68.10	71.10
Note 11(c). Other financial liabilities			
Unsecured Loans		-	23.92
Advance for Sale of Land & Building		54,100.00	-
Security deposits received		-	342.00
Total Other financial liabilities		54,100.00	365.92
Note 12. Other non-financial liabilities			
Statutory remittances		1.07	1.95
TDS Interest Payable		0.33	0.48
Total other non-financial liabilities		1.40	2.43

Explanatory Notes:- Since the company's intention is to sell the land & building, the same has been reclassified as assets held for sale in the financial statements.

During the year, the Company has taken advance against sale of Land & Building located at Mumbai of ₹5.41 crore from an unrelated company.



HEM HOLDINGS & TRADING LIMITED
Notes forming Part of Standalone Financial Statements as at 31st March 2025 (Contd.)

(Amount in Rs.'000)

Note 13. Equity Share Capital

Authorised Shares:

250000 Equity shares of Rs. 10/- each

	As at 31.03.2025	As at 31.03.2024
	2,500.00	2,500.00
	2,500.00	2,500.00

Issued, Subscribed and fully paid up shares:

240000 Equity shares of Rs. 10 each fully paid-up

	2,400.00	2,400.00
	2,400.00	2,400.00

Note 13.1. Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting year:

	As at 31.03.2025		As at 31.03.2024	
	No. of shares	(Amt.in Rs.'000)	No. of shares	(Amt.in Rs.'000)
Equity shares at the beginning of the year	2,40,000	2,400.00	2,40,000	2,400.00
Issued during the year	-	-	-	-
Outstanding at the end of the year	2,40,000	2,400.00	2,40,000	2,400.00

Note 13.2.1 Details of shares held by each shareholder holding more than 5% shares

Class of shares / Name of shareholder	As at 31.03.2025		As at 31.03.2024	
	No. of shares held	% of holding in that class of shares	No. of shares held	% of holding in that class of shares
Equity shares				
Ketan Moolchand Shah	51,202	21.33%	52,302	21.79%
Sangeeta Ketan Shah	53,203	22.17%	53,203	22.17%
Prabha Plantations Pvt. Ltd.	21,443	8.93%	21,443	8.93%

Note 13.2.2 Details of shares held by each promoters:

Class of shares / Name of shareholder	As at 31.03.2025		As at 31.03.2024	
	No. of shares held	% of holding in that class of shares	No. of shares held	% of holding in that class of shares
Equity shares				
Ketan Moolchand Shah	51,202	21.33%	52,302	21.79%
Sangeeta Ketan Shah	53,203	22.17%	53,203	22.17%
Prabha Plantations Pvt. Ltd.	21,443	8.93%	21,443	8.93%
Sim Prabha Estates & Trading Co. Pvt. Ltd.	1,600	0.67%	1,600	0.67%
Total held by promoters:	1,27,448	53.10%	1,28,548	53.56%

Note 13.3. Details of bonus shares issued during the five years immediately preceding the balance sheet date: NIL

Note 13.4. Terms / rights attached to equity shares

The Company has one class of equity shares having a par value of Rs.10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.



HEM HOLDINGS & TRADING LIMITED
Notes forming Part of Standalone Financial Statements as at 31st March 2025 (Contd.)

		(Amount in Rs.'000)	
		As at	As at
		31.03.2025	31.03.2024
Note 14. Other equity (Refer Note 19.1)			
General Reserve			
Outstanding at the beginning of the year		38.40	38.40
Outstanding at the end of the year		38.40	38.40
Special Reserve Fund			
Outstanding at the beginning of the year		2,133.24	1,830.00
Additions during the year		-	303.24
Outstanding at the end of the year		2,133.24	2,133.24
Surplus in the statement of profit and loss			
Outstanding at the beginning of the year		21,087.44	19,874.48
Add: Profit for the year		(12,030.40)	1,516.21
Add:- Transfer of opening Deferred Tax Liability		1,436.29	-
Add:- Transfer of OCI for the current year		2,427.18	-
Add:- Transfer of opening balance of OCI		4,087.90	-
		17,008.41	21,390.69
Less: Appropriations			
Transfer to Special Reserve Fund		-	(303.24)
		-	(303.24)
Net surplus in the statement of profit and loss		17,008.41	21,087.44
Other comprehensive Income			
Outstanding at the beginning of the year		4,087.90	163.37
Equity instruments through OCI		2,427.18	5,303.43
Income tax relating to items that will not be reclassified to profit or loss		-	(1,378.89)
Transferred to Retained Earnings (OCI During the year)		(2,427.18)	-
Transferred to Retained Earnings (OCI Opening Balance)		(4,087.90)	-
Other comprehensive income for the year-net of tax		-0.00	4,087.90
	Total other equity	19,180.05	27,346.99

Note 14.1. Nature and purpose of reserve

1. Special Reserve Fund u/s 45-IA Of the Reserve Bank of India Act, 1934 (the "RBI Act, 1934") Reserve u/s. 45-IA of RBI Act, 1934 is created in accordance with section 45 IC (1) of the RBI Act, 1934. As per Section 45 IC (2) of the RBI Act, 1934, no appropriation of any sum from this reserve fund shall be made by the NBFC except for the purpose as may be specified by RBI.

2. General Reserve

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilized only in accordance with the specific requirements of Companies Act, 2013.

3. Surplus in the Statement of Profit and Loss

Surplus in the statement of profit and loss is the accumulated available profit of the Company carried forward from earlier years. These reserves are free reserves which can be utilized for any purpose as may be required.

4. FVOCI Equity Investments

The Company has elected to recognize changes in the fair value of investments in equity securities (other than investment in subsidiary) in other comprehensive income. These changes are accumulated within the FVOCI equity investments reserve within equity.



HEM HOLDINGS & TRADING LIMITED
Notes forming Part of Standalone Financial Statements as at 31st March 2025 (Contd.)

		(Amount in Rs.'000)	
		As at 31.03.2025	As at 31.03.2024
Note 15. Operating Income			
Dividend Income			
Interest & Other Financial Income		2,996.13	2,513.52
Total		2,996.13	2,513.52
Note 16. Other Income			
Rental income		750.00	787.10
Income from non-financing activity		-	209.56
		750.00	996.66
Note 17. Finance cost (on financial liabilities measured at amortized cost)			
Other interest expense		2.03	4.56
Bank Charges		2.50	2.49
		4.53	7.06
Note 18. Employee benefits expense			
Salaries and wages		93.17	114.31
		93.17	114.31
Note 19. Depreciation and amortization			
Depreciation on property, plant and equipment		106.90	149.83
		106.90	149.83
Note 20. Other expenses			
Advertisement expenses		77.52	72.37
Brokerage & Commission		-	100.00
Custody Charges		-	10.62
Demat Charges		27.90	-
E-Voting expenses		17.70	18.89
Electricity Expenses		-	23.92
Listing Fees		383.50	383.50
Miscellaneous expenses		9.36	24.78
Membership Fees		-	5.90
Payment to auditors (Refer note below)		53.10	53.10
Professional fees		184.40	395.67
Rates and taxes		-	23.95
Registration & Renewal expenses		58.86	79.56
Repairs and Maintenance		296.00	176.99
Advance Written off and other write off		14,392.82	-
Internal Audit Fees		60.00	-
Legal Fees		10.78	-
		15,571.94	1,369.24

Explanatory Note

As on 31st March 2024, the Company had a receivable of ₹1,44,30,342, which was not recoverable. The company tried all possible measures before taking this decision and it is now being decided to write off this receivable balance in FY 2024-25.



HEM HOLDINGS & TRADING LIMITED
Notes forming Part of Standalone Financial Statements as at 31st March 2025 (Contd.)

	(Amount in Rs.'000)	
	As at	
	31.03.2025	As at 31.03.2024
Note: Payment to auditors (including taxes)		
As auditor		
- Statutory audit	35.40	35.40
- Limited review of quarterly results	17.70	17.70
- Other services	-	-
	53.10	53.10

Note 21. Tax expenses

The components of income tax expense for the years ended 31st March 2024 and 2023 are:

Current tax expenses	-	353.53
Less: TDS Receivable	(374.61)	(141.84)
Current Tax payable net of TDS	(374.61)	211.69
Adjustment in respect of. current income tax of prior years		-
Deferred tax		-
	Total tax charge	(374.61) 211.69
Current tax	(374.61)	211.69
Deferred tax	-	-

Reconciliation of the Total Tax Charge

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at Indian corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the years ended 31st March 2025 and 2024 is, as follows:

	31.03.2025	31.03.2024
Accounting profit before tax	(12,030.40)	1,869.74
Applicable tax rate	25.168%	26.00%
Computed tax expense	-	486.13
Tax effect of:		
Adjustment on account of change in tax rate	-	(194.45)
Others (MAT) - 1/5th of Transition Amount	-	61.85
Total tax expense	-	353.53
Tax expenses recognized in the statement of profit and loss	-	353.53
Effective tax rate	-	18.908%

	As at	
	31.03.2025	As at 31.03.2024
Deferred Tax		
Deferred tax asset/ liability (net)		
The movement on the deferred tax account is as follows:		
At the start of the year (DTA) / DTL (net)	1,436.29	57.40
Credit/(charge) for equity instruments thro' OCI	-	1,378.89
Opening Balance transfer to the Retained Earnings	(1,436.29)	-
At the end of year (DTA)/ DTL (net)	0.00	1,436.29



HEM HOLDINGS & TRADING LIMITED
Notes forming Part of Standalone Financial Statements as at 31st March 2025 (Contd.)

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense:

(Amount in Rs.'000)			
As at 31.03.2024	Transfer to Retained Earning	OCI	As at 31.03.2025
Component of deferred tax asset/ (liability)			
Deferred tax asset / (liability) in relation to:			
Difference between written down value of fixed assets as per books of accounts & income tax			
Deferred tax on fair value of investments	1,436.29	(1,436.29)	-
Expenses allowable on payment basis			0
1,436.29	(1,436.29)	-	0

As at 31.03.2023	Statement of Profit & Loss	OCI	As at 31.03.2024
Component of deferred tax asset/ (liability)			
Deferred tax asset / (liability) in relation to:			
Difference between written down value of fixed assets as per books of accounts & income tax			
Deferred tax on fair value of investments	57.40	-	1,378.89
Expenses allowable on payment basis			1,436.29
57.40	-	1,378.89	1,436.29

Current Tax Liabilities (Net)

Provision for tax

As at 31.03.2025	As at 31.03.2024
(374.61)	211.69

Note 22. Earning Per share

Net profit after tax as per Profit & Loss (A)
Weighted average number of equity shares of Rs. 10 each for calculation of basic EPS (B)
Weighted average number of equity shares of Rs.10 each for calculation of diluted EPS (C)
Basic earnings per share (A/B)
Diluted earnings per share (A/C)

As at 31.03.2025	As at 31.03.2024
(12,030.40)	1,516.21
2,40,000.00	2,40,000.00
2,40,000.00	2,40,000.00
(50.13)	6.32
(50.13)	6.32

Note 23. Contingent liabilities and commitments (to the extent not provided for

(A) Contingent liabilities

Guarantees given by the company

As at 31.03.2025	As at 31.03.2024
Nil	Nil

(B) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided:

As at 31.03.2025	As at 31.03.2024
Nil	Nil

Note 24. Corporate social responsibility ("CSR") expenses:

The company does not come within the preview of CSR as per section 135 of the act.

Note 25. Leasing arrangements

Operating lease commitments - as lessor - Nil

Note 26. Segment reporting:

The Company is engaged primarily on the business of "Financing" only, taking into account the risks and returns, the organization structure and the internal reporting systems. All the operations of the Company are in India. Accordingly, there are no separate reportable segments as per Ind AS 108 - "Operating segments".



HEM HOLDINGS & TRADING LIMITED
Notes forming Part of Standalone Financial Statements as at 31st March 2025 (Contd.)

Note 27. Related party disclosures as required by Ind AS 24

a) List of related parties and relationships

Key management personnel

Mr Ketan Moolchand Shah	Director
Mrs Sangeeta Ketan Shah	Managing Director
Mr. Dolar Kirit Shah	Additional Director
Mr. Jigar Pankajbhai Dave	Additional Director
Mrs. Supreet Kaur	CFO
Roshni Alkesh Agrawal	Company Secretary

Other related parties

Simplex Castings Limited	Common Directors
Prabha Plantations Pvt. Ltd.	Common Directors
Coin Media LLP	Common Directors

(Amount in Rs.'000)

b) Transactions with related parties are as follows:

	As at 31.03.2025	As at 31.03.2024
Interest received on Advances from Simplex Casting Limited	2,996.13	631.31
Director Sitting fees	-	-
Salary to Director- Mr. Anup Kumar Das	-	8,950.00
Sale of Shares to Mr. Ketan M Shah	9,720.00	-
Loan Accepted and Repaid to Mrs. Sangeeta K Shah	3,300.00	-
Loan Given during the year to M/s. Simplex Castings Limited (Net)	60,466.72	-
Loan Repaid from M/s. Coin Media	1.31	-
Loan Repaid from M/s. Prabha Plantation Pvt Ltd	11.97	-

c) Balances outstanding from related parties are as follows:

Loans and advances given/(accepted)	69,546.58	6,396.62
Investments	-	7,292.83

All transactions with these related parties are priced on an arm's length basis. None of the balances are secured.

Disclosures as per Regulation 53(f) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations, 2015).

Loans and advances in the nature of loans given in which directors are interested as under:

	(Amount in Rs.'000)	
Name	As at 31.03.2025	As at 31.03.2024
Simplex Castings Ltd (Maximum balance outstanding during the year)	69,546.58	6,383.35
Prabha Plantations Pvt. Ltd. (Maximum balance outstanding during the year)	-	11.97
Coin Media LLP (Maximum balance outstanding during the year)	-	1.31

Note 28. Under the Micro, Small and Medium Enterprises Development Act, 2006

Based on the intimation received by the Company, there are no Micro, Small & Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31st March, 2025. This information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 has been determined to the extent such parties have been identified on the information available with the Company.



HEM HOLDINGS & TRADING LIMITED
Notes forming Part of Standalone Financial Statements as at 31st March 2025 (Contd.)

Note-29. Disclosures required in terms of Annexure XIV of the RBI Master Direction DNBR. PD. 008/03.10.119/2016-17 dated 1 September 2016 (updated as on 22 February 2019) "Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 are mentioned as below:

Note 29.1. Capital

	As at 31.03.2025	As at 31.03.2024
i) CRAR (%)	29.57%	83.00%
ii) CRAR - Tier I capital (%)	29.57%	81.75%
iii) CRAR - Tier II capital (%)	0.00%	1.25%
iv) Amount of subordinated debt raised as Tier-II capital		
v) Amount raised by issue of perpetual debt instruments		

Explanatory Note:- The Net Owned Fund of the Company as on 31st March 2025 is ₹-458.10 Lakhs (Negative). The Company has not complied with the minimum NOF requirement of ₹5 crore as mandated by the Reserve Bank of India effective from the said date and the Company does not have any plans to infuse additional capital to meet the minimum NOF threshold in the future.

(Amount in Rs.'000)

Note 29.2. Investments

1. Value of investments

(i) Gross value of investments

(a) In India	-	7,293
(b) Outside India	-	-

(ii) Provisions for depreciation

(a) In India	-	-
(b) Outside India	-	-

(iii) Net value of investments

(a) In India	-	7,293
(b) Outside India	-	-

2. Movement of provisions held towards depreciation on investments.

(i) Opening balance	-	-
(ii) Add: Provisions made during the year	-	-
(iii) Less: Write-off/ write-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

Note 29.3 Derivatives

The Company has not entered into any derivative transactions and hence the disclosure required has not been made.

Note 29.4 Disclosures relating to securitization

The Company has not entered into any securitization / assignment transactions and hence the disclosure required has not been made.

Note 29.5 Details of financial assets sold to securitization L reconstruction Company for asset reconstruction

The Company has not sold financial assets to securitization / reconstruction Company for asset reconstruction during the year (previous year Nil)

Note 29.6 Details of assignment transactions undertaken by NBFCs

The Company has not undertaken any assignment transactions and hence the disclosure required has not been made.

Note 29.7 Details of non-performance financial assets purchased/ sold.

The Company has not purchased or sold non-performing financial assets during the year (previous year Nil).



HEM HOLDINGS & TRADING LIMITED
Notes forming Part of Standalone Financial Statements as at 31st March 2025 (Contd.)

Note 29.8 Asset liability management maturity pattern of certain items of assets & liabilities.

(Amount in Rs.'000)

	1 day to 30/31 days(one month)	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to One year	Over 1 year to 3 years	Over 3 year to 5 years	Over 5 years	Total
Bank Fixed Deposits	-	-	-	-	-	-	-	-	-
Receivables (Others)	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	69,547	-	-	-	69,547
Investments	-	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-	-
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-



Note 29.9 Exposure to Real Estate Sector

The Company has no exposure to real estate sector.

(Rs. '000)

Note 29.10 Exposure to Capital Market

	As at 31.03.2025	As at 31.03.2024
(i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	Nil	7292.82
(ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	Nil	Nil
(iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	Nil	Nil
(iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds Elsewhere the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	Nil	Nil
(v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market	Nil	Nil
(vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	Nil	Nil
(vii) Bridge loans to companies against expected equity flows / issues;	Nil	Nil
(viii) All exposures to venture capital funds (both registered and unregistered)	Nil	Nil
Total exposure to capital market	Nil	7292.82

Note 29.11 Details of financing of parent company products - Not applicable**Note 29.12 Details of Single Borrower Limit ("SGL") Group Borrower Limit ("GBL") exceeded by the NBFC**

As at 31.03.25 As at 31.03.24
(Rs. '000)

i) Loans and advances given, excluding advance funding but including off-balance sheet exposures to any single party in excess of 15 per cent of owned fund of the NBFC:	69546.58	6396.62
ii) Loans and advances to (excluding advance funding but including debentures/bonds and off-balance sheet exposures) and investment in the shares of single party in excess of 25 per cent of the owned fund of the NBFC:	69546.58	13689.45



Note 29.13 Unsecured advances

- a) Refer Note no. 6(B) to the financial statements.
- b) The Company has not granted any advances against in taking securities (31st March 2024: Nil).

Note 29.14 Registration number obtained from RBI:

The registration no is - 13.00182 vide certificate dtd. 02.03.1998

Note 29.15 Disclosure of penalties imposed by RBI and other regulators

During the financial year ended 31 March 2025, no penalties have been imposed by RBI and oth regulators (31 March 2024: Nil).

Note 29.16 Ratings assigned by credit rating agencies and migration of ratings during the year - The Company has not got its credit rating done by any rating agency.**Note 29.17 Remuneration of directors**

The company has not paid any remuneration to its directors during the year

Note 29.18 Provisions and contingencies

The information on all provisions and contingencies is as under:

Break up of 'provisions and contingencies' under the head expenditure in the statement of Profit & Loss

	As at 31.03.2025	As at 31.03.2024
Provision for depreciation on investment	-	-
Provision towards impaired assets (Stage 3)	-	-
Provision made towards income tax	-	-
Provision towards impaired assets (Stage1 and 2)	-	-
Provision for employee benefits	-	-

Note 29.19 Draw-down from reserves

The Company has made no drawdown from existing reserves.

Note 29.20 Concentration of deposits (for deposit taking NBFCs)- Not Applicable

(Rs.'000)

Note 29.21 Concentration of Advances

	As at 31.03.2025	As at 31.03.2024
Total advances given to twenty largest borrowers	69546.583	6396.62
Percentage of advances to twenty largest borrowers to total advances of the NBFC.	100%	100%

Note 29.22 Concentration of exposures

	As at 31.03.2025	As at 31.03.2024
Total exposure to twenty largest borrowers/ customers	69546.583	6396.62
Percentage of exposures to twenty largest borrowers/ customers to total exposure of the NBFC on borrowers	100%	100%



Note 29.23 Concentration of Stage 3 assets
Total exposure to top four Stage 3 accounts

As at 31.03.2025	As at 31.03.2024
Nil	Nil

**Note 29.24 Sector-wise Stage 3 assets
(Gross)**

**% of Stage 3 assets to
Total Advances in
that sector as at
31.03.2025**

**% of Stage 3 assets to
Total Advances in that
sector as at 31.03.2024**

Sector		
(i) Agriculture and allied activities	Nil	Nil
(ii) MSME	Nil	Nil
(iii) Corporate borrowers	Nil	Nil
(iv) Services	Nil	Nil
(v) Unsecured personal loans	Nil	Nil
(vi) Auto loans	Nil	Nil
(vii) Other personal loans	Nil	Nil



Note 29.25 Movement of Stage 3 assets

	As at 31.03.2025	As at 31.03.2024
(i) Net stage 3 assets to net advances (%)	Nil	Nil
(ii) Movement of stage 3 assets (gross)		
(a) Opening balance	Nil	Nil
(b) Additions during the year	Nil	Nil
(c) Reductions during the year	Nil	Nil
(d) Closing balance	Nil	Nil
(iii) Movement of net stage 3 assets		
(a) Opening balance	Nil	Nil
(b) Additions during the year	Nil	Nil
(c) Reductions during the year	Nil	Nil
(d) Closing balance	Nil	Nil
(iv) Movement of provisions for stage 3 assets (Excluding provisions on standard assets)		
(a) Opening balance	Nil	Nil
(b) Provisions made during the year	Nil	Nil
(c) Write-off / write-back of excess provisions	Nil	Nil
(d) Closing balance	Nil	Nil

Note 29.26 Overseas assets (for those with joint ventures and subsidiaries abroad)

There is no overseas asset owned by the Company.

Note 29.27 Off-balance sheet SPVs sponsored (which required to be consolidated per accounting norms)

The company is now required to provide its financial statements under Ind AS, which require all securitization related SPV's to be consolidated in the books of the originator (the Company). Accordingly, there are no SPV's sponsored during the year.

Note 29.28 Disclosure of customers complaints

	As at 31.03.2025	As at 31.03.2024
(a) No. of complaints pending at the beginning of the year	-	-
(b) No. of complaints received during the year	-	-
(c) No. of complaints redressed during the year	-	-
(d) No. of complaints pending at the end of the year	-	-



Note 30 Information as required in terms of Paragraph 13 of the RBI Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01 2016 "Master Direction: Non-Banking Financial Company: Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 are mentioned as below:

(Amount in Rs.'000)

Liabilities side:

Note 30.1 Loans and advances availability the NBFCs Inclusive of interest accrued thereon but not paid

		As at 31.03.2025	As at 31.03.2024	Amount Overdue
(a) Debentures (excl Public deposits)	-Secured	Nil	Nil	Nil
	-Unsecured	Nil	Nil	Nil
(b) Deferred credits		Nil	Nil	Nil
(c) Term loans		Nil	Nil	Nil
(d) Inter-corporate loans and borrowing		Nil	23.92	Nil
(e) Commercial paper		Nil	Nil	Nil
(f) Other loans:	- From Banks	Nil	Nil	Nil
	- From a company	Nil	Nil	Nil
	- Security deposits	Nil	Nil	Nil
	- Advances received against Asset Sale Agreement	54,100.00	Nil	Nil

Note 30.2 Break-up of (1)(f) above (outstanding public deposits inclusive of interest accrued thereon but not paid)

	As at 31.03.2025	As at 31.03.2024	Amount Overdue
(a) In the form of unsecured debentures	Nil	Nil	Nil
(b) In the form of partly secured debentures i.e., debentures where there is a shortfall in the value of security	Nil	Nil	Nil
(c) Other public deposits	Nil	Nil	Nil

Assets side:

Note 30.3 Break-up of loans and advances including bills receivables (other than those included in (4) below)

Amount Outstanding	As at 31.03.2025	As at 31.03.2024
(a) Secured	Nil	Nil
(b) Unsecured	69,546.58	6,396.62

Note 30.4 Break UP of leased assets and stock on hire and other assets counting towards AFC activities

Amount Outstanding	As at 31.03.2025	As at 31.03.2024
(i) Lease assets including lease rentals under sundry debtors:		
(a) Financial lease	NA	NA
(b) Operating lease	NA	NA
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	NA	NA
(b) Repossessed assets	NA	NA
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	NA	NA
(b) Loans other than (a) above	NA	NA



Note 30.5 Break-up of investments**Current investments:****Amount outstanding**

As at
31.03.2025 **As at**
31.03.2024

1 Quoted:

- (i) Shares:
- (a) Equity
- (b) Preference
- (ii) Debentures and bonds
- (iii) Units of mutual funds
- (iv) Government securities
- (v) Others (please specify)

Nil Nil
Nil Nil
Nil Nil
Nil Nil
Nil Nil
Nil Nil
Nil Nil

2 Unquoted:

- (i) Shares:
- (a) Equity
- (b) Preference
- (ii) Debentures and bonds
- (iii) Units of mutual funds
- (iv) Government securities
- (v) Others (please specify)

Nil Nil
Nil Nil
Nil Nil
Nil Nil
Nil Nil
Nil Nil
Nil Nil

Long term investments:**Quoted:**

- (i) Shares:
- (a) Equity
- (b) Preference
- (ii) Debentures and bonds
- (iii) Units of mutual funds
- (iv) Government securities
- (v) Others (please specify)

- 7,292.83
- 7,292.83
Nil Nil
Nil Nil
Nil Nil
Nil Nil
Nil Nil

Unquoted:

- (i) Shares:
- (a) Equity
- (b) Preference
- (ii) Debentures and bonds
- (iii) Units of mutual funds
- (iv) Government securities
- (v) Others (please specify)

Nil Nil
Nil Nil
Nil Nil
Nil Nil
Nil Nil
Nil Nil
Nil Nil



Note 30.6 Borrower group-wise classification of assets financed as in (3) and (4) above:

	Amount outstanding Category	Amount net of provisions		
		Secured	Unsecured	Total
1	Related parties **			
	(a) Subsidiaries	Nil	Nil	Nil
	(b) Companies in the same group	Nil	69,546.58	69,546.58
	(c) Other related parties	Nil	Nil	Nil
2	Other than related parties	Nil	Nil	Nil
	Total	Nil	69,546.58	69,546.58

Note 30.7 Investor group-wise classification of all investments shares and securities (both quoted and unquoted):

	Category	Market value/breaku p of fair value or NAV	Book value (net of provisions)
1	Related parties **		
	(a) Subsidiaries	Nil	Nil
	(b) Companies in the same group	-	-
	(c) Other related parties	Nil	Nil
2	Other than related parties	Nil	Nil
	Total	-	-

** As per Ind As issued by MCA (refer note below)

Note 30.8 Other information

	Amount outstanding	As at 31.03.2025	As at 31.03.2024
(i) Gross non-performing assets			
(a) Related parties		Nil	Nil
(b) Other than related parties		Nil	Nil
(ii) Net non-performing assets			
(a) Related parties		Nil	Nil
(b) Other than related parties		Nil	Nil
(iii) Assets acquired in satisfaction of debt		Nil	Nil

All Ind AS issued by MCA are applicable including for valuation of investments and other assets as also, assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

Note



HEM HOLDINGS & TRADING LIMITED
Notes forming Part of Standalone Financial Statements as at 31st March 2025 (Contd.)

Note 31. Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analyzed according to when they are expected to be recovered or settled.

	As at 31-03-2025		As at 31-03-2024	
	Within 12 Months	After 12 Months	Within 12 Months	After 12 Months
ASSETS				
Financial assets				
Cash and cash equivalents	3,024.15	-	795.49	-
Receivables	-	-	1,882.21	12,548.04
Loans	69,546.58	-	6,396.62	-
Investments	-	-	-	7,292.83
Other financial assets	2,819.83	-	-	2,050.00
Non-financial assets				
Income tax assets (Net)	374.61	-	-	-
Deferred tax Assets (Net)	-	-	-	-
Property, plant and equipment	-	-	-	2,926.73
Total assets	75,765.18	-	9,074.31	24,817.59
LIABILITIES				
Financial liabilities				
Trade payables	-	-	-	-
Total Outstanding dues of creditors other than micro enterprises and small enterprises	83.72	-	80.63	-
Other financial liabilities	54,100.00	-	365.92	-
Non-financial liabilities				
Current Tax Liabilities (Net)	-	-	211.69	-
Deferred Tax Liabilities (Net)	-	-	-	1,436.29
Other Non financial liabilities	1.40	-	2.43	-
Total Liabilities	54,185.12	-	660.67	1,436.29

Note 32. Financial instrument and fair value measurement

A. Accounting classifications and fair values

The carrying amount and fair value of financial instruments including their levels in the fair value hierarchy presented below:

As at March 2025	Carrying Amount	Fair Value (Rs.)		
		Level 1	Level 2	Level 3
Financial Assets at fair value through OCI				
Investments	-	-		
Total	-	-		
Financial assets at amortized cost				
Cash and Cash equivalents	3,024.15	3,024.15		
Loans	69,546.58	69,546.58		
Security Deposits	-	-		
Total	72,570.73	72,570.73		
Financial Liabilities at amortized cost				
Trade Payables	83.72	-		
Other Financial Liabilities	54,100.00			
Total	54,183.72	-		

As at March 2024	Carrying Amount	Fair Value (Rs.)		
		Level 1	Level 2	Level 3
Financial Assets at fair value through OCI				
Investments	7,292.83	7,292.83		
Total	7,292.83	7,292.83		
Financial assets at amortized cost				
Cash and Cash equivalents	795.49	-		
Loans	6,396.62	-		
Security Deposits	-	-		
Total	7,192.11	-		
Financial Liabilities at amortized cost				
Trade Payables	80.63	-		
Other Financial Liabilities	365.92			
Total	446.55	-		

The Company has not disclosed the fair values for cash and cash equivalents, receivables, loans, security deposits, trade payables and other financial liabilities as their carrying amounts are a reasonable approximation of fair value.



8. Measurement of fair values

i) Valuation techniques and significant unobservable inputs

The carrying amounts of financial assets and liabilities which are at amortized cost are considered to be the same as their fair values as there is no material differences in the carrying values presented.

ii) Financial instruments fair value

The fair value of financial instruments as referred to in note (A) above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurement).

The categories used are as follows:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices;

Level 2: The fair value of financial instruments that are not traded in active market is determined using valuation technique 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 on instrument are observable, the instrument is included in level 2; and

Level 3: If one or more of significant input is not based on observable market data, the instrument is included in level 3.

iii) Transfers between levels I and II

There has been no transfer in between level 1, level 2 and level 3

C. Capital

The Company maintains an actively managed capital base to cover risks inherent in the business and is meeting the capital adequacy requirements of the local banking supervisor, RBI. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

The Company has complied in full with all its externally imposed capital requirements over the reported period. Equity share capital and other equity are consider the purpose of Company's capital management.



Financial assets measured on a collective

The company splits its exposure into smaller homogeneous portfolios, based on shared credit risk characteristics, as described below in the following order:

loans are Secured

if the loans are determined to be secured

- Nature of loan i.e., based on the nature of loan

Significant increase in credit risk

The company considers an exposure to have significant increase in credit risk when the borrow crosses 30 DPD but is within 90 DPD.

Impairment assessment

The company considers a financial instrument defaulted and therefore stage 3 (credit impaired) for ECL calculations in all cases when the borrower crosses 90 days past due on its contractual payments.

Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instrument subject to the impairment calculation.

Loss given default

The credit risk assessment is based on a standardized LGD assessment framework that incorporates the probability of default and subsequent recoveries, discounted.

Current economic data and forward-looking economic forecasts and scenarios are used in order to determine the Ind AS 109 LGD rate. The company uses data obtained from third party sources and combines such data with inputs to the Company's ECL models including determining the weights attributable to the multiple, scenarios.

Analysis of risk concentration

of the Company's loans.

	As at 31.03.2025	As at 31.03.2024
Carrying value of Loans	6,95,46,583	63,96,621
Mortgage-backed loans		
other assets backed loans		
Personal loans	6,95,46,583	63,96,621
Others		
Total	6,95,46,583	63,96,621

Collateral and other credit enhancements

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. Guidelines are in place covering the acceptability and valuation of each type of collateral.

During the year the company has not advanced loan to any third party.

The company also obtains guarantees from parent companies for loans to their subsidiaries. Management monitors the market value of collateral and will request additional collateral in accordance with the underlying agreement.

Collateral coverage - credit impaired loans

Nil

b) Liquidity risk and funding management



Liquidity risk arises because of the possibility that the Group might be unable to meet its payment obligations when they fall due as a result of mismatch in the timing of cash flows under both normal and stress circumstances. To limit this risk, management has devised for diversified funding sources, and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on daily basis.

Maturity profile of financial liabilities

Since the company no financial liabilities in the form of borrowing, the maturity profiles of the undiscounted cash flows are not applicable.

c) Market risk

Market risk represents the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices.

Note 35 Revenue from contracts with customers.

During the year the company did not earn revenue from Contracts with customers and hence reconciliation to profit and loss account is not applicable

Note 36 Events occurring after the balance sheet date

There have been no events after the reporting date that require disclosure in these financial statements.

Note 37 Standards issued but not yet effective

There are neither new standards nor amendments to existing standards which are effective for the annual period beginning from 1st April 2023.


Note 38 Previous year comparatives

Previous year's figures have been regrouped/reclassified wherever necessary, to conform to current year's classification.

In terms of our report of even date attached

For M/s Harsh Jain & Associates
(Chartered Accountants)
FRN- 00763




CA Harsh J
(Partner)
M. No. 076

Place: Durg

Date: 30.05.2025

UDIN: 25076736 BMG W@ I 8385

HEM HOLDINGS & TRADING LIMITED

CIN : L65990MH1982PLC026823

REGISTERED OFFICE : 601/602A, FAIRLINK CENTRE, OPP. ANDHERI (WEST), MUMBAI-400053

Additional Regulatory Information for the year ended on 31.03.2025

(i) Title deeds of immovable property not held in the name of the company

No such Immovable property held by the company.

Relevant Line Item in the Balance Sheet	Description of item of property	Gross Carrying Value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
PPE	Land			Not Applicable		
	Building					
Investment Property	Land			Not Applicable		
	Building					
PPE retired from active use and held for disposal	Land			Not Applicable		
	Building					
Others						

(ii) Where the Company has revalued its Property, Plant and Equipment, the company shall disclose as to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017

No Revaluation of the Property has been done by the company during the year.

(iii) Following disclosures shall be made where Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:

(a) repayable on demand or

(b) without specifying any terms or period of repayment - as mentioned below

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	N.A.	N.A.
Directors	N.A.	N.A.
KMP	N.A.	N.A.
Related Party	6,95,46,583	100%



(iv) Capital-Work-in Progress (CWIP)

No Capital work in progress as on balance sheet date.

(a) For Capital-work-in progress, following ageing schedule shall be given:

CWIP aging schedule

Not Applicable

CWIP	Amount in CWIP for a period of				(Amount in Rs.)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total*
Projects in progress	N.A.	N.A.	N.A.	N.A.	N.A.
Projects temporarily suspended	N.A.	N.A.	N.A.	N.A.	N.A.

*Total shall tally with CWIP amount in the balance sheet.

(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following CWIP completion schedule shall be given**:

CWIP	To be completed in				(Amount in Rs.)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	N.A.	N.A.	N.A.	N.A.	
Project 2	N.A.	N.A.	N.A.	N.A.	

**Details of projects where activity has been suspended shall be given separately.

(v) Intangible assets under development:

No Intangible assets under development as on balance sheet date.

(a) For Intangible assets under development, following ageing schedule shall be given:

Intangible assets under development ageing schedule

Not Applicable

Intangible Assets under development	Amount in CWIP for a period of				(Amount in Rs.)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total*
Projects in progress	N.A.	N.A.	N.A.	N.A.	N.A.
Projects temporarily suspended	N.A.	N.A.	N.A.	N.A.	N.A.

* Total shall tally with the amount of Intangible assets under development in the balance sheet.

(b) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, following Intangible assets under development completion schedule shall be given**:

Intangible Assets under development	To be completed in				(Amount in Rs.)
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Project 1	N.A.	N.A.	N.A.	N.A.	
Project 2	N.A.	N.A.	N.A.	N.A.	

**Details of projects where activity has been suspended shall be given separately.



vi) Details of Benami Property held

Not Applicable (No such property held by the company)

Where any proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder, the company shall disclose the following:-

No such proceedings have been initiated or pending against the company for holding any benami property.

- (a) Details of such property, including year of acquisition, N.A.
 (b) Amount thereof, N.A.
 (c) Details of Beneficiaries, N.A.
 (d) If property is in the books, then reference to the item in the Balance Sheet, N.A.
 (e) If property is not in the books, then the fact shall be stated with reasons N.A.
 (f) Where there are proceedings against the company under this law as an abettor of the transaction or as the transferor then the details shall be provided, N.A.
 (g) Nature of proceedings, status of same and company's view on same. N.A.

vii) Where the Company has borrowings from banks or financial institutions on the basis of security of current assets, it shall disclose the following:-

Not Applicable, Company does not have any borrowings from banks or financial institutions on the basis of security of current assets.

- (a) whether quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts. N.A.
 (b) if not, summary of reconciliation and reasons of material discrepancies, if any to be adequately disclosed. N.A.

viii) Wilful Defaulter*

Not applicable, company is not declared wilful defaulter by any bank or financial Institution or other lender

Where a company is a declared wilful defaulter by any bank or financial Institution or other lender, following details shall be given:

- (a) Date of declaration as wilful defaulter, N.A.
 (b) Details of defaults (amount and nature of defaults), N.A.

* "wilful defaulter" here means a person or an issuer who or which is categorized as a wilful defaulter by any bank or financial institution (as defined under the Act) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

ix) Relationship with Struck off Companies

Not applicable, company does not have any transactions with companies struck off U/s. 248 of the Co. Act, 2013 or U/s. 560 of Co. Act, 1956,

Where the company has any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, the Company shall disclose the following details:-

Name of Struck off Company	Nature of transactions with struck-off Company	Balance outstanding	Relationship with the Struck off company, if any, to be disclosed
	Investments in securities	N.A.	N.A.
	Receivables	N.A.	N.A.
	Payables	N.A.	N.A.
	Shares held by struck off company	N.A.	N.A.
	Other outstanding balances (to be specified)	N.A.	N.A.



x) **Registration of charges or satisfaction with Registrar of Companies** **Not Applicable, No Registration/satisfaction of the charge is pending beyond the statutory period.**

Where any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period, details and reasons thereof shall be disclosed.

xi) **Compliance with number of layers of companies** **Not Applicable**

Where the company has not complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, the name and CIN of the companies beyond the specified layers and the relationship/extent of holding of the company in such downstream companies shall be disclosed.

xiii) **Following Ratios to be disclosed:-** **Separate Sheet enclosed for the following financial ratio for the year ended on 31.03.2025**

- (a) Current Ratio,
- (b) Debt-Equity Ratio,
- (c) Debt Service Coverage Ratio,
- (d) Return on Equity Ratio,
- (e) Inventory turnover ratio,
- (f) Trade Receivables turnover ratio,
- (g) Trade payables turnover ratio,
- (h) Net capital turnover ratio,
- (i) Net profit ratio,
- (j) Return on Capital employed,
- (k) Return on investment

The company shall explain the items included in numerator and denominator for computing the above ratios. Further explanation shall be provided for any change in the ratio by more than 25% as compared to the preceding year.

xiii) **Compliance with approved Scheme(s) of Arrangements** **Not Applicable.**

Where any Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013, the Company shall disclose that the effect of such Scheme of Arrangements have been accounted for in the books of account of the Company 'in accordance with the Scheme' and 'in accordance with accounting standards' and deviation in this regard shall be explained.

xiv) **Utilisation of Borrowed funds and share premium:**

(A) Where company has advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

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

N.A.
N.A.

The company shall disclose the following:-

Not Applicable.

(I) date and amount of fund advanced or loaned or invested in Intermediaries with complete details of each Intermediary.

(II) date and amount of fund further advanced or loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries alongwith complete details of the ultimate beneficiaries

(III) date and amount of guarantee, security or the like provided to or on behalf of the Ultimate Beneficiaries

(IV) declaration that relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering act, 2002 (15 of 2003).;



(B) Where a company has received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall

Not Applicable. No such fund received by the company.

(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, the company shall disclose the following:-

N.A.
N.A.

(I) date and amount of fund received from Funding parties with complete details of each Funding party.

(II) date and amount of fund further advanced or loaned or invested other intermediaries or Ultimate Beneficiaries alongwith complete details of the other intermediaries' or ultimate beneficiaries.

(III) date and amount of guarantee, security or the like provided to or on behalf of the Ultimate Beneficiaries

(IV) declaration that relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering act, 2002 (15 of 2003).;

xv) Corporate Social Responsibilities Not applicable to company

xv) Details of Crypto Currency or Virtual Currency

Not applicable, There is no transaction done in the Crypto Currency or Virtual Currency by the Company.

For and on behalf of board of director of
Hem Holdings & Trading Limited

 19.

Sangeeta Ketan Shah
Managing Director
DIN-05322039



Roshni Alkesh Agrawal
Company Secretary

 KMS

Ketan Moolchand Shah
Director
DIN-00312343

 Supreet Kaur
Company Secretary

Place : Bhilai

Date : 30.05.2025

