MAFATLAL ENTERPRISES LIMITED

29th ANNUAL REPORT 2024-2025

BOARD OF DIRECTORS

SHRI PRADEEP R. MAFATLAL *(Chairman)*

SHRI RAJANYA P. MAFATLAL

SHRI ASHISH R. KANSARA

BANKERS

IDBI BANK

UNION BANK OF INDIA

AUDITORS

M/S. R. S. GOKANI & CO.
CHARTERED ACCOUNTANTS

REGISTERED OFFICE

59, 'THE ARCADE', 1ST FLOOR,
WORLD TRADE CENTRE,
CUFFE PARADE, COLABA,
MUMBAI 400 005.
TEL. NO. : +91 022 61391200

CIN: U24242MH1995PLC089649

NOTICE

NOTICE is hereby given that the **Twenty Ninth** Annual General Meeting of the Members of **Mafatlal Enterprises Limited** ("the Company") will be held at the Registered Office of the Company at 59, 'The Arcade', 1st Floor, World Trade Centre, Cuffe Parade, Colaba, Mumbai – 400 005, on Friday, the 25th July, 2025, at 2.30 P.M., to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2025, Statement of Profit and Loss (including other Comprehensive Income), the Statement of Changes in Equity and the Cash Flow Statement for the Financial Year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Ashish Kansara (holding DIN 03557963), who retires by rotation but, being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass, with or without modification, the following:

AS AN ORDINARY RESOLUTION

"RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modifications, re-enactment thereof for the time being in force) (as amended from time to time) M/s. R. S. Gokani & Co., Chartered Accountants (ICAI Firm Registration No. 140229W), be and are hereby appointed as the Auditors of the Company for a term of five consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 34th Annual General Meeting at a remuneration to be decided by the Board of Directors."

"RESOLVED FURTHER THAT the Directors of the Company, be and are hereby authorized to do all such acts, deeds and things as may be necessary to give effect to this Resolution, including filing the necessary forms with the Registrar of Companies."

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. Enclosed herewith is the attendance slip and proxy form for the AGM.

3. Corporate member(s) intending to send their authorized representative are requested to send a duly certified copy of the board resolution authorizing their representative(s) to attend and vote at the AGM.

4. Details of Shri Ashish Kansara required to be given pursuant to the Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India is attached to this Notice as **"Annexure 1"**.

For and on behalf of the Board

PRADEEP R. MAFATLAL
Chairman
DIN : 00015361

Registered Office:
59, 'The Arcade', 1st Floor,
World Trade Centre,
Cuffe Parade, Colaba,
Mumbai - 400 005.
Tel.: +91 022 61391200
CIN: U24242MH1995PLC089649

Mumbai
Dated: 19th May, 2025.

Annexure 1: Information required to be furnished under Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Name of Director	**Shri Ashish Kansara**
DIN	03557963
Age	50 Years
Date of birth	1st August, 1974
Nationality	Indian
Date of first appointment on the board	10th February, 2023
Relationship with other Directors	There is no relationship with other Directors on the Board
Qualification	Graduate in Faculty of Commerce, University of Mumbai
Terms and conditions of appointment/re-appointment	Director liable to retire by rotation.
Remuneration sought to be paid	N.A.
Remuneration last drawn	N.A.
Nature of expertise in specific functional areas	He has vast experience in the management of companies. He is a Director on the Board of Directors of several other companies.
Number of shares	NIL
List of directorships held in other companies	• Standard Salt Works Limited • Vinadeep Investments Private Limited • SAP Investments Private Limited • Stanrose Fund Management Services Private Limited
Chairmanships/ memberships of committees in other public limited companies (includes only audit committee and stakeholders' relationship committee)	NIL
Number of board meetings attended during the FY 2024 – 2025	Held-4 Attended-3

For and on behalf of the Board
PRADEEP R. MAFATLAL
Chairman
DIN : 00015361

Registered Office:
59, 'The Arcade', 1st Floor,
World Trade Centre,
Cuffe Parade, Colaba,
Mumbai - 400 005.
Tel.: +91 022 61391200
CIN: U24242MH1995PLC089649

Mumbai
Dated: 19th May, 2025

DIRECTORS' REPORT

To

The Members,

MAFATLAL ENTERPRISES LIMITED

Your Directors hereby present the 29th Annual Report together with the Audited Statements of Accounts for the Financial Year ended 31st March, 2025.

FINANCIAL RESULTS

	Current Year 01.04.2024 to 31.03.2025 (in lakhs)	Previous Year 01.04.2023 to 31.03.2024 (in lakhs)
Gross Operating Profit before depreciation and tax	**(0.34)**	(0.38)
Less: Depreciation	**–**	–
Profit before Taxes	**(0.34)**	(0.38)
Less: Current Tax	**–**	–
Profit after Taxes	**(0.34)**	(0.38)
Balance brought forward from previous year	**(6.61)**	(6.23)
Closing Balance	**(6.95)**	(6.61)

The Company has drawn up its Accounts under IND AS.

During the Financial Year under review, the Company has made a loss of Rs.0.34 Lakhs.

STATE OF THE COMPANY'S AFFAIRS

The Company has been incorporated to carry on any business of textile trading.

NATURE OF BUSINESS OF THE COMPANY

There has been no change in the nature of business of the Company.

SHARE CAPITAL

The paid-up Equity Share Capital as on 31st March, 2025, is Rs. 5,00,070/- comprising 50,007 Shares of Rs. 10/- each.

During the financial year under review, the Company has not issued any class of securities including shares with differential voting rights, sweat equity shares and has not granted any stock options.

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

The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.

TRANSFER TO RESERVE

During the year under review, there was no amount transferred to any of the reserve by the Company.

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

The Company is not engaged in manufacturing activities during the year. Therefore, there is no information to submit in respect of conservation of energy and absorption of technology.

The Company has no foreign exchange earnings and outgoings during the year.

DEPOSITS

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013 and rules made thereunder.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Sections 134(3)(c) and 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, the Directors of your Company hereby state and confirm that:

(a) in the preparation of the annual accounts, for the financial year ended 31st March, 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;

(c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors have prepared the annual accounts on a going concern basis;

(e) the Directors, 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) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORATE AND BOARD MEETINGS

A. Retirement by rotation and subsequent re-appointment

Shri Ashish Kansara, Director (DIN: 03557963) is due to retire by rotation at the ensuing Annual General Meeting pursuant to the provisions of Section 152 of the Companies Act, 2013, but being eligible offers himself for re-appointment.

B. Change in Directors

There were no changes in the Directors of the Company during the Financial Year 2024-25.

C. Number of Board Meetings

The Board of Directors met 4 times during the Financial Year from 1st April, 2024 to 31st March, 2025 i.e. 21st May, 2024, 14th August, 2024, 04th October, 2024 and on 30th January, 2025.

The gap between two consecutive board meetings was within the period prescribed under Section 173 of the Companies Act, 2013.

The number of Board Meetings attended by the Directors during the year is as follows:

Sr. No.	Names of the Directors	Number of Board Meeting attended during 2024-2025
1	Shri Pradeep R. Mafatlal	3
2	Shri Rajanya P. Maftalal	4
3	Shri Ashish Kansara	3

MATERIAL CHANGES AND COMMITMENTS

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

SIGNIFICANT AND MATERIAL ORDERS

There have been no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper and adequate system of internal control in all spheres of its activities to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized, recorded and reported diligently.

The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines.

INDIAN ACCOUNTING STANDARDS (IND AS)

Your Company has adopted Indian Accounting Standards ("IND AS") pursuant to Ministry of Corporate Affairs Notification dated 16th February, 2015 notifying the Companies (Indian Accounting Standard) Rules, 2015.

AUDITORS' OBSERVATIONS AND EXPLANATION OR COMMENTS BY THE BOARD

There were no qualifications, reservations or adverse remarks made by the Statutory Auditors in his Report.

The observations made by the Statutory Auditors read with the relevant notes on accounts are self-explanatory.

DETAILS OF FRAUD REPORTED BY THE AUDITORS UNDER SUB SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO CENTRAL GOVERNMENT

There have been no cases of frauds which required the Statutory Auditor to report to the Board during the financial year under review.

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

The Company has not provided any loans, guarantees or made any investments pursuant to Section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

There are no contracts or arrangements or transactions not at arm's length basis or material contracts or arrangements or transactions at arm's length basis with any related party.

DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiaries, Joint Ventures or Associate Companies.

The Company is wholly owned Subsidiary of Standard Industries Limited.

SECRETARIAL AUDIT REPORT

The Company is not a material wholly owned subsidiary of Standard Industries Limited.

Therefore, the company is not required to undertake secretarial audit for the financial year 2024-2025 as per Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

PARTICULARS OF EMPLOYEES

As on 31st March, 2025, there are no employees of the Company.

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

As there are no employees in the Company, the question of disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, does not arise.

BUSINESS RISK MANAGEMENT

The Company has formulated a Risk Management Policy.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year under review, the CSR provisions as prescribed under the Companies Act, 2013, are not applicable to the Company, hence Company is not required to contribute towards CSR.

COST RECORDS

Maintenance of cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013, is not applicable to the Company.

AUDITORS

M/s Arunkumar K. Shah & Co., Chartered Accountants, Mumbai, Statutory Auditors of the Company have expressed their unwillingness to continue as Statutory Auditors of the Company with effect from 8th August, 2024.

The shareholders of the Company at its Extra Ordinary General Meeting held on 4th November, 2024, had passed an Ordinary Resolution appointing M/s. R.S. Gokani & Co., Chartered Accountants, Mumbai, (ICAI Firm Registration No. 140229W) as Statutory Auditors of the Company to hold office w.e.f. 14th August, 2024 till the conclusion of the 29th Annual General Meeting of the Company due to casual vacancy caused by way of resignation of M/s. ArunKumar K. Shah & Co., Chartered Accountants, Mumbai.

Pursuant to Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 it is proposed to appoint M/s. R.S. Gokani & Co., Chartered Accountants, Mumbai, (ICAI Firm Registration No. 140229W), as the Statutory Auditors of the Company for a period of 5 years from the conclusion of the 29th Annual General Meeting until the conclusion of the 34th Annual General Meeting.

The Company has received a confirmation from M/s. R.S. Gokani & Co., Chartered Accountants, Mumbai, to the effect that they are eligible and not disqualified under Section 141 of the Companies Act, 2013 and the Rules framed thereunder, for being appointed as Statutory Auditors of the Company.

SECRETARIAL STANDARDS

The Company has followed the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively.

For and on behalf of the Board

PRADEEP R. MAFATLAL
Chairman
DIN : 00015361

Mumbai
Dated: 19th May, 2025

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF

MAFATLAL ENTERPRISES LIMITED

Report on the Standalone IND AS Financial Statements

Opinion

We have audited the accompanying standalone financial statements of MAFATLAL ENTERPRISES LIMITED ("the Company"), which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss (including other comprehensive income), the Statement of cash flows and the Statement for changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Standalone IND AS Financial Statements).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statement in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters as follows:-

The Key Audit Matters	How the matter was addressed in our Audit
a. Going Concern	
We draw Attention to Note No. (17.3) of financial statements regarding preparation of accounts on going concern basis.	We assessed that in view of the continued support / availability of finance from the Holding Company and expected improvement in economic conditions, the company has prepared the financial statements on Going Concern Basis.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, 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 inclusion 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 during the course of our 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 Act with respect to the preparation of these Ind AS standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with relevant rules issued thereunder.

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

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

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

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

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

   (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), change in equity and Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

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

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operative effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

   (g) Company has not paid any remuneration to Directors (including Mg. Director and Independent Directors) other than Sitting Fee. This is within limit of Companies Act 2013.

   (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, as amended in our opinion and to the best of our information and according to the explanations given to us:

      (i) The Company does not have any pending litigation which would impact its financial position.

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

      (iii) There are no amounts that are required to be transferred, to the Investor Education and Protection Fund by the Company.

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

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

(v) The Company has not declared or paid any dividend during the year in contravention of the provisions of Section 123 of the Companies Act, 2013.

(vi) Based on our examination, which included test checks, the Company has used accounting software's for maintaining its books of accounts for the financial year ended March 31, 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 systems. Further during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirement for record retention.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of section 143(11) of the Act, we give in "Annexure B" a statement on the matter specified in the paragraph 3 and 4 of the Order.

For, R. S. GOKANI & CO
Chartered Accountants
(FRN: 140229W)

(Rahul S. Gokani)
Proprietor
(Membership No. 163865)
UDIN: 25163865BMIXGU4981

Mumbai
Dated: 19th May, 2025

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred in paragraph 1(f) under "Report on Legal and Regulatory Requirement" section of our report of even date to the members of Mafatlal Enterprises Limited

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

1. We have audited the internal financial controls with reference to standalone financial statements of **MAFATLAL ENTERPRISES LIMITED** ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

2. 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 Act.

3. Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial statements based on our audit.

We have 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, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects to the extent applicable.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Standalone Financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to Standalone Financial statements included obtaining an understanding of internal financial controls with reference to Standalone Financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, 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 I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls system with reference to Standalone Financial statements.

4. Meaning of Internal Financial Controls with reference to Standalone Financial Statements

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

(a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(b) 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

(c) 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.

5. **Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements**

   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 with reference to Standalone Financial statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

6. **Opinion**

   In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Standalone Financial statements and such internal financial controls with reference to Standalone Financial statements were operating effectively as at March 31, 2025 based on the internal control with reference to Standalone Financial statements 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 Accountant of India.

For, R. S. GOKANI & CO
Chartered Accountants
(FRN: 140229W)

(Rahul S. Gokani)
Proprietor
(Membership No. 163865)

UDIN: 25163865BMIXGU4981

Mumbai
Dated: 19th May, 2025

ANNEXURE“B” TO THE AUDITORS’ REPORT

The annexure referred to in Paragraph 2 of Our Report on Other Legal and Regulatory Requirements section of our report of Even Date to the Members of MAFATLAL ENTERPRISES LIMITED

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

(i) **In respect of Property, Plant and Equipment and Intangible Assets:**

The Company does not have any fixed assets and hence sub clause (a) (A) and (B), (b) (c) (d) and (e) of clause (i) of paragraph 3 of the order is not applicable to the company for the year.

(ii) **In respect of Inventories:**

The Company does not have any inventory and hence sub clause (a), and (b) of clause (ii) of paragraph 3 of the order is not applicable to the company for the year.

(iii) **In respect of Granting of Loan:**

The Company has made investments in, companies and granted unsecured loans to other parties during the year, in respect of which:

(a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a)(A) and (B) of the Order is not applicable.

(b) As the Company has not made investments and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company’s interest and hence reporting under clause 3(iii)(b) of the Order is not applicable.

(c) As the Company not granted loans hence reporting under clause 3(iii)(c) of the Order is not applicable.

(d) As the Company has not granted any loan there is no overdue amount remaining outstanding as at the balance sheet date hence reporting under clause 3(iii)(d) of the Order is not applicable.

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

(f) As the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence reporting under clause 3(iii)(f) is not applicable.

The Company has not made investments in Firms and Limited Liability Partnerships during the year. The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

(iv) According to the information and explanation given to us, the Company has complied with the provision of the sections 185 and 186 of the Companies Act, 2013 of grant loans, making investment and providing guarantees and securities, as applicable. There were no loans granted during the year under Section 185 of the Act.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 73 to 76 or any other relevant provision of the Act and the rule framed there under during the year. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause 3 (vi) of the Order is not applicable to the Company

(vii) **In respect of Statutory dues:**

(a) In our opinion and according to explanation given to us the company is generally regular in depositing undisputed statutory dues including goods and service tax, provident fund, employees’ state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There is no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

(b) There are no cases for non-deposit with appropriate authorities of disputed dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax, Cess and Goods and Service tax.

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

(ix) a. The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.

b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c. The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

d. On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

f. The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable

(x) a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable

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

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

b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

c. As represented to us by the management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) (a)(b) and (c) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act wherever applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) In our opinion Rule 13 of the Companies (Accounts) Rules 2014, does not require to appoint internal auditor, hence clause (xiv) (a) and (b) is not applicable.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company hence clause (xv) is not applicable.

(xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

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

(xvii) The Company has incurred cash losses of ₹ 0.34 lakhs during the financial year covered by our audit and the immediately preceding financial year ₹ 0.38 lakhs.

(xviii) There has been no resignation of the statutory auditors of the Company during the year

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

(xx) As per Section 135 of the Companies Act, 2013, the Corporate Social Responsibility (CSR) is not applicable, hence reporting under clause 3(xx)(a)(b) of the Order is not applicable for the year.

For, R. S. GOKANI & CO
Chartered Accountants
(FRN: 140229W)

(Rahul S. Gokani)
Proprietor
(Membership No. 163865)
UDIN: 25163865BMIXGU4981

Mumbai
Dated: 19th May, 2025

BALANCE SHEET

AS ON MARCH 31, 2025

All amounts are ₹ in Lakhs unless otherwise stated

Particulars	Note No.	As at March 31, 2025	*As at March 31, 2024*
Assets			
Current assets			
a. Financial assets			
i. Cash and cash equivalents	**5**	**0.48**	*0.58*
Total current assets		**0.48**	*0.58*
Total assets		**0.48**	*0.58*
Equity and liabilities			
Equity			
a. Equity share capital	**6**	**5.00**	*5.00*
b. Other equity	**7**	**(6.95)**	*(6.61)*
Total equity		**(1.95)**	*(1.61)*
Liabilities			
Current liabilities			
a. Financial liabilities			
i. Trade payables	**8**	**0.15**	*0.17*
ii. Other financial liabilities	**9**	**2.28**	*2.02*
Total current liabilities		**2.43**	*2.19*
Total equity and liabilities		**0.48**	*0.58*

See accompanying notes to the financial statements

In terms of our report attached

For, R. S. Gokani & Co.
Chartered Accountants
FRN : 140229W

Rahul S. Gokani
Proprietor
Membership No : 163865

Mumbai, Dated: May 19, 2025

PRADEEP R. MAFATLAL *Chairman* DIN: 00015361

ASHISH R. KANSARA *Director* DIN: 03557963

Mumbai, Dated: May 19, 2025

STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED MARCH 31, 2025
All amounts are ₹ in Lakhs unless otherwise stated

		Note No.	For the year ended March 31, 2025	*For the year ended March 31, 2024*
I	Revenue from operations		—	—
II	Other income		—	—
III	**Total income (I + II)**		—	—
IV	**Expenses**			
	Other expenses	10	0.34	*0.38*
	Total expenses (IV)		0.34	*0.38*
V	**Loss before tax (III - IV)**		(0.34)	*(0.38)*
VI	Tax expenses			
	(1) Current tax		—	—
VII	**Loss for the period (V - VI)**		(0.34)	*(0.38)*
VIII	**Other comprehensive income**		—	—
IX	**Total comprehensive loss for the year (VII + VIII)**		(0.34)	*(0.38)*
X	**Earnings per equity share**			
	(1) Basic (in ₹)	11	(0.68)	*(0.75)*
	(2) Diluted (in ₹)	11	(0.68)	*(0.75)*

See accompanying notes to the financial statements

In terms of our report attached

For, R. S. Gokani & Co.
Chartered Accountants
FRN : 140229W

Rahul S. Gokani
Proprietor
Membership No : 163865

Mumbai, Dated: May 19, 2025

PRADEEP R. MAFATLAL *Chairman* DIN: 00015361

ASHISH R. KANSARA *Director* DIN: 03557963

Mumbai, Dated: May 19, 2025

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2025

All amounts are ₹ in Lakhs unless otherwise stated

	For the year ended March 31, 2025	*For the year ended March 31, 2024*
A. Cash flow from operating activities:		
Net loss before tax	**(0.34)**	*(0.38)*
Adjustments for:		
Provision for tax of earlier period written back	**—**	*—*
Operating loss before working capital changes	**(0.34)**	*(0.38)*
(Decrease)/increase in trade and other payables	**(0.02)**	*(0.04)*
	(0.36)	*(0.42)*
Direct taxes paid	**—**	*—*
Net cash generated from operating activities	**(0.36)**	*(0.42)*
B. Cash flows from investing activities	**—**	*—*
C. Cash flows from financing activities		
Advance received (net)	**0.26**	*0.52*
Net cash generated from financing activities	**0.26**	*0.52*
Net increase in cash and cash equivalents	**(0.10)**	*0.10*
Cash and cash equivalents at the beginning of the year	**0.58**	*0.48*
Cash and cash equivalents at the end of the year	**0.48**	*0.58*

Note:

The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow.

See accompanying notes forming part of the financial statements

In terms of our report attached

For, R. S. Gokani & Co.
Chartered Accountants
FRN : 140229W

Rahul S. Gokani
Proprietor
Membership No : 163865

Mumbai, Dated: May 19, 2025

PRADEEP R. MAFATLAL *Chairman* DIN: 00015361

ASHISH R. KANSARA *Director* DIN: 03557963

Mumbai, Dated: May 19, 2025

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2025

All amounts are ₹ in Lakhs unless otherwise stated

a. Equity share capital

For the year ended March 31, 2025	**Amount**
Balance at April 1, 2024	***5.00***
Changes in equity share capital due to prior period errors	**—**
Restated balance at April 1, 2024	***5.00***
Changes in equity share capital during the year	**—**
Balance at March 31, 2025	**5.00**

For the year ended March 31, 2024	*Amount*
Balance at April 1, 2023	*5.00*
Changes in equity share capital due to prior period errors	—
Restated balance at April 1, 2023	*5.00*
Changes in equity share capital during the year	—
Balance at March 31, 2024	*5.00*

b. Other equity

Particulars	**Reserves & surplus Retained earnings**	**Total**
Balance at April 1, 2024	**(6.61)**	**(6.61)**
Changes in accounting policy or prior period errors	**—**	**—**
Restated balance at April 1, 2024	**(6.61)**	**(6.61)**
Loss for the year	**(0.34)**	**(0.34)**
Other comprehensive income for the year, net of income tax	**—**	**—**
Balance at March 31, 2025	**(6.95)**	**(6.95)**

Particulars	**Reserves & surplus Retained earnings**	**Total**
Balance at April 1, 2023	**(6.23)**	**(6.23)**
Changes in accounting policy or prior period errors	**—**	**—**
Restated balance at April 1, 2023	**(6.23)**	**(6.23)**
Loss for the year	**(0.38)**	**(0.38)**
Other comprehensive income for the year, net of income tax	**—**	**—**
Balance at March 31, 2024	**(6.61)**	**(6.61)**

c. Nature and purpose of Retained earnings

Retained earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies' Act, 2013. No dividends are distributed given the accumulated losses incurred by the Company.

See accompanying notes to the financial statements

In terms of our report attached

For, R. S. Gokani & Co.
Chartered Accountants
FRN : 140229W

Rahul S. Gokani
Proprietor
Membership No : 163865

Mumbai, Dated: May 19, 2025

PRADEEP R. MAFATLAL *Chairman* DIN: 00015361

ASHISH R. KANSARA *Director* DIN: 03557963

Mumbai, Dated: May 19, 2025

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. General Information

Corporate Identity Number: U24242MH1995PLC089649

Mafatlal Enterprises Limited ("the Company") is a limited Company incorporated in India in 1995 under the Indian Companies Act, 1882. Its parent and ultimate holding company is Standard Industries Limited. The Company is engaged in the business of textile trading.

The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report for the principal activities of the Company.

The financial statements of the Company as on March 31, 2025 were approved and authorised for issue by the Board of Directors on May 19, 2025.

2. Material accounting policies:

2.1. Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

2.2. Basis of preparation and presentation

2.2.1 Historical cost convention

The financial statements have been prepared on the historical cost basis except for certain financial instruments and defined benefit plans that are measured at fair values at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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 takes 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 categorised 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 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.2.2 Current non-current classification

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act and Ind AS 1 Presentation of financial statements.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Assets:

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

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

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets/ liabilities are classified as non-current.

The aforesaid financial statement has been prepared in Indian Rupee (₹) and denominated in Lakhs.

2.3. Revenue Recognition

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

- Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers. Sale of products is presented gross of manufacturing taxes like excise duty wherever applicable.

2.4. Income Tax

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

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

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realized, or the deferred income tax liability is settled.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are off set where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

2.5. Property, plant, and equipment

All items of property, plant and equipment are stated at cost less accumulated depreciation and impairment, if any. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy and includes all other expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of profit and loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset and gain, or loss is recognised in profit or loss.

2.6. Depreciation

Depreciation amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

2.7. Impairment of tangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.8. Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in-first-out basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

2.9. Employee benefits

2.9.1 Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

2.9.2 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.10. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.11. Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

2.12. Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

The Company classifies its financial assets in the following measurement categories:

I. those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and

II. those measured at amortised cost.

The classification depends on the Company’s business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the profit and Loss or in other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Measurement

At initial recognition, the Company measures a financial asset at its fair value. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Debt instruments:

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its debt instruments into following categories:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.
- Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through profit and loss. Interest income from these financial assets is included in other income.

Equity instruments:

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of profit and loss.

Interest and Dividend income:

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit loss associated with its assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g., when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.13. Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue, or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired, An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability, Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

2.14. Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, overdrawn bank balances, bank overdraft, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.15. Segment Reporting:

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of directors, they constitute as CODM.

2.16. Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

3. Critical estimates and judgements

In the course of applying the policies outlined in all notes under section 3 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

Key sources of estimation uncertainty

i. Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgement to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

4. Recent pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

5. Cash and Cash Equivalents

	As at March 31, 2025	As at March 31, 2024
Balances with Banks	**0.48**	*0.58*
Cash and cash equivalents as per statement of cash flows	**0.48**	*0.58*

5.1. There are no repatriation restrictions with regard to cash and cash equivalents as at each reporting period.

6. Equity share capital

	As at March 31, 2025	As at March 31, 2024
Authorised share capital		
80,00,000 Equity shares of ₹ 10/- each	**800.00**	*800.00*
Issued and subscribed capital comprises:		
50,007 Equity shares of ₹ 10/- each fully paid	**5.00**	*5.00*
Total	**5.00**	*5.00*

6.1. Details of shares held by each shareholder holding more than 5% shares

	As at March 31, 2025	
	Number of shares held	% holding of equity shares
Fully paid equity shares		
Standard Industries Limited	**50,007**	**100%**

	As at March 31, 2024	
	Number of shares held	*% holding of equity shares*
Fully paid equity shares		
Standard Industries Limited	*50,007*	*100%*

6.2. Fully paid equity shares, which have a par value of ₹ 10, carry one vote per share and carry a right to dividends.

6.3. Shares held by promoters*

As at March 31, 2025

Sr No.	Promoter name	No. of shares	% of total shares	% change during the year
1	Standard Industries Limited	**50,007**	**100%**	**0%**
	Total	**50,007**	**100%**	

* Promoter here means promoter as defined in the Companies Act, 2013

As at March 31, 2024

Sr No.	Promoter name	*No. of shares*	*% of total shares*	*% change during the year*
1	Standard Industries Limited	*50,007*	*100%*	*0%*
	Total	*50,007*	*100%*	

* Promoter here means promoter as defined in the Companies Act, 2013

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

7. Other equity

	As at March 31, 2025	*As at March 31, 2024*
Reserves and surplus		
Retained earnings	**(6.95)**	*(6.61)*
Total	**(6.95)**	*(6.61)*

7.1. Retained earnings

	For the year ended March 31, 2025	*For the year ended March 31, 2024*
Balance at the beginning of year	**(6.61)**	*(6.23)*
Loss attributable to owners of the Company	**(0.34)**	*(0.38)*
Balance at end of year	**(6.95)**	*(6.61)*

8. Trade payables

	As at March 31, 2025	*As at March 31, 2024*
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	**0.15**	—
Total outstanding dues of creditors other than micro enterprises and small enterprises	**—**	*0.17*
Total	**0.15**	*0.17*

The average credit period on purchases is four months. No interest is charged on the trade payables.

Refer note 15 for Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act).

8.1 Ageing of trade payables (Outstanding for the following period from due date of payments*)

Particulars	**As at March 31, 2025**				**Unbilled**	**Total**
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**		
(i) MSME	**—**	**—**	**—**	**—**	**0.15**	**0.15**
(ii) Others	**—**	**—**	**—**	**—**	**—**	**—**
(iii) Disputed dues – MSME	**—**	**—**	**—**	**—**	**—**	**—**
(iv) Disputed dues – Others	**—**	**—**	**—**	**—**	**—**	**—**

Particulars	*As at March 31, 2024*				*Unbilled*	*Total*
	Less than 1 year	*1-2 years*	*2-3 years*	*More than 3 years*		
(i) MSME	—	—	—	—	—	—
(ii) Others	—	—	—	—	*0.17*	*0.17*
(iii) Disputed dues – MSME	—	—	—	—	—	—
(iv) Disputed dues – Others	—	—	—	—	—	—

* In the absence of due date of payment, above disclosure to be provided from the date of the transaction.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

9. Other financial liabilities

	As at March 31, 2025	*As at March 31, 2024*
Current		
Payables to Holding company	**2.28**	*2.02*
Total	**2.28**	*2.02*

10. Other expenses

	For the year ended March 31, 2025	*For the year ended March 31, 2024*
Bank charges	**—**	*—*
General expenses	**0.05**	*0.06*
Payment to auditors (refer note 10.1)	**0.15**	*0.15*
Professional charges	**0.14**	*0.17*
Total	**0.34**	*0.38*

10.1. Payments to auditors

	For the year ended March 31, 2025	*For the year ended March 31, 2024*
For audit	**0.15**	*0.15*
For certification	**—**	*—*
Total	**0.15**	*0.15*

11. Earnings per share

Particulars	**For the year ended March 31, 2025**	*For the year ended March 31, 2024*
Basic earnings per share	**(0.68)**	*(0.75)*
Diluted earnings per share	**(0.68)**	*(0.75)*

11.1. Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

Particulars	**For the year ended March 31, 2025**	*For the year ended March 31, 2024*
Loss for the year attributable to owners of the Company	**(0.34)**	*(0.38)*
Less: Preference dividend and tax thereon	**—**	*—*
Earnings used in the calculation of basic earnings per share (₹ in Lakhs)	**(0.34)**	*(0.38)*
Weighted average number of equity shares	**50,007**	*50,007*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

11.2. Diluted earnings per share

The diluted earnings per share has been computed by dividing the Net profit after tax available for equity shareholders by the weighted average number of equity shares, after giving the effect of the dilutive potential ordinary shares for the respective periods.

Particulars	For the year ended March 31, 2025	*For the year ended March 31, 2024*
Loss for the year used in the calculation of basic earnings per share	**(0.34)**	*(0.38)*
Add: adjustments on account of dilutive potential equity shares	**—**	*—*
Earnings used in the calculation of diluted earnings per share (₹ in Lakhs)	**(0.34)**	*(0.38)*
Weighted average number of equity shares..........	**50,007**	*50,007*

11.3. Reconciliation of weighted average number of equity shares

The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:

Particulars	For the year ended March 31, 2025	*For the year ended March 31, 2024*
Weighted average number of equity shares used in the calculation of Basic EPS	**50,007**	*50,007*
Add: adjustments on account of dilutive potential equity shares	**—**	*—*
Weighted average number of equity shares used in the calculation of Diluted EPS	**50,007**	*50,007*

12. Segment information

The Company is engaged in the business of textile trading. All other activities of the Company revolve around its main business. The Board of directors of the Company, has been identified as the chief operating decision maker (CODM). The CODM evaluates the Company's performance, allocates resources based on analysis of the various performance indicators of the Company as a single unit. CODM have concluded that there is only one operating reportable segment as defined by Ind AS 108.

12.1. Information about geographical areas

The Company presently caters to only domestic market i.e. India and hence there is no revenue from external customers outside India nor any of its non-current asset is located outside India.

12.2. Information about major customers

There is no revenue from external customer during the year ended March 31, 2025 and year ended March 31, 2024.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

13. Related parties transactions

13.1. Names of the related parties and related party relationships

Particulars	Relationship as at March 31, 2025	Relationship as at March 31, 2024
Standard Industries Limited	**Holding company**	*Holding company*
Key Management Personnel		
Pradeep R. Mafatlal	**Chairman**	*Chairman*
Rajanya P. Mafatlal	**Director**	*Director*
Ashish R. Kansara	**Director**	*Director*

13.2. Details of related party transactions during the year

	For the year ended March 31, 2025	For the year ended March 31, 2024
Standard Industries Limited		
Advances received during the year	**0.26**	*0.54*
Advances repaid during the year	**—**	*0.02*

13.3. Details of related party closing balances

	As at March 31, 2025	As at March 31, 2024
Standard Industries Limited		
Advances received	**2.28**	*2.02*

13.4 There are no remunerations paid to Key managerial personal during each reporting period.

14. Financial instruments

I. Capital management policy

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders. The Company does not have any borrowing. The Company is not subject to any externally imposed capital requirements.

Gearing ratio:

The gearing ratio at end of the reporting period was as follows.

Particulars	As at March 31, 2025	As at March 31, 2024
Debt	**—**	*—*
Cash and bank balances	**0.48**	*0.58*
Net debt	**(0.48)**	*(0.58)*
Total equity	**(1.95)**	*(1.61)*
Net debt to equity ratio	**0.25**	*0.36*

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

II. Categories of financial instruments:

Particulars	**As at March 31, 2025**	*As at March 31, 2024*
Financial assets		
Measured at amortised cost		
Cash and cash equivalent	**0.48**	*0.58*
Financial liabilities		
Measured at amortised cost		
Trade payables	**0.15**	*0.17*
Other financial liabilities	**2.28**	*2.02*

III. Financial risk management objectives

The Company monitors and manages the financial risks to the operations of the Company. These risks include Credit risk, Liquidity risk and Market risk.

A. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. There are no trade or other receivables. Accordingly the Company is not exposed to credit risk.

B. Liquidity risk

Liquidity Risk refers to insufficiency of funds to meet the financial obligations. Liquidity Risk Management implies maintenance of sufficient cash to meet obligations when due.

The Company continuously monitoring forecast and actual cash flows, and by assessing the maturity profiles of financial assets and liabilities.

Maturities of financial liabilities

Table showing maturity profile of non-derivative financial liabilities:

	Up to One year	**1-3 years**	**More than 3 years**	**Total**
As at March 31, 2025				
Trade payables	**0.15**	**—**	**—**	**0.15**
Other financial liabilities	**0.26**	**1.74**	**0.28**	**2.28**
As at March 31, 2024				
Trade payables	*0.17*	—	—	*0.17*
Other financial liabilities	*0.52*	*1.22*	*0.28*	*2.02*

C. Market risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk and interest rate risk.

i) Currency risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is domiciled in India and has its revenues and other transactions in its functional currency i.e. ₹. Accordingly the Company is not exposed to any currency risk.

ii) Interest rate risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has not borrowed any funds from market and therefore is not exposed to interest rate risk.

IV. Fair Value Measurement

Fair value of financial assets and financial liabilities that are measured at amortised cost:

The management believes the carrying amounts of financial assets and financial liabilities measured at amortised cost approximate their fair values.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

15. Disclosures required under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act)

Particulars		**As at March 31, 2025**	*As at March 31, 2024*
(i)	Principal amount remaining unpaid to any supplier as at the end of the accounting year	—	—
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	—	—
(iii)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	—	—
(iv)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	—	—
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year	—	—
(vi)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	—	—

16 Additional regulatory information as required by Schedule III to the Companies Act, 2013

16.1. Ratio analysis and its elements

The % change given below is only for indicative purposes and does not reflect the actual variance and cannot be considered as an indicator of financial performance.

a) Current Ratio = Current assets divided by Current liabilities

Particulars	**As at March 31, 2025**	*As at March 31, 2024*
Current assets	**0.48**	*0.58*
Current liabilities	**2.43**	*2.19*
Ratio	**0.20**	*0.26*
% Change from previous year	**-34.29%**	

Reason for change more than 25%:
This ratio has decreased from 0.26 in FY 2023-24 to 0.20 in FY 2024-25 mainly due to additional advances obtained from Holding Company in order to meet other obligations.

b) Debt Equity ratio: Not applicable since the Company does not hold borrowings.

c) Debt Service Coverage Ratio: Not applicable since the Company does not hold borrowings.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

d) **Return on Equity Ratio = Net profit after tax divided by average equity**

Particulars	**For the year ended March 31, 2025**	*For the year ended March 31, 2024*
Net loss after tax	**(0.34)**	*(0.38)*
Total equity*	**(1.78)**	*(1.42)*
Ratio	**0.19**	*0.27*
% Change from previous year	**-40.42%**	

* Average equity represents the average of opening and closing total equity.

Reason for change more than 25%:
This ratio has decreased from 0.27 in FY 2023-24 to 0.19 in FY 2024-25 mainly due to increase in accumulated losses.

e) **Inventory Turnover Ratio: Not applicable since the Company does not hold any inventory.**

f) **Trade Receivables turnover ratio: Not applicable as there is no revenue in the Company.**

g) **Trade payables turnover ratio: Not applicable as there is no purchases in the Company.**

h) **Net Capital Turnover Ratio: Not applicable as there is no revenue in the Company.**

i) **Net profit ratio: Not Applicable as there is no revenue in the Company.**

j) **Return on Capital employed (pre-tax) = Earnings before interest and taxes (EBIT) divided by average Capital Employed**

Particulars	**For the year ended March 31, 2025**	*For the year ended March 31, 2024*
Loss before tax (A)	**(0.34)**	*(0.38)*
Finance Costs (B)	**—**	*—*
EBIT (C) = (A)+(B)	**(0.34)**	*(0.38)*
Total Assets (D)	**0.48**	*0.58*
Current Liabilities (E)	**(2.43)**	*(2.19)*
Capital Employed (F)=(D)-(E)	**(1.95)**	*(1.61)*
Ratio	**0.17**	*0.24*
% Change from previous year	**-36.00%**	

Reason for change more than 25%:
This ratio has decreased from 0.24 in FY 2023-24 to 0.17 in FY 2024-25 mainly due to increase in accumulated losses and additional advances obtained from Holding Company in order to meet other obligations.

k) **Return on Investment: The Company believes that Return on equity ratio as disclosed above is an apt measure of Return on investment ratio as well.**

16.2 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

16.3 The Company did not have any transactions with Companies struck off.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

All amounts are ₹ in Lakhs unless otherwise stated

16.4 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

16.5 The Company has not traded or invested in Crypto currency or Virtual Currency during each reporting period.

16.6 The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

16.7 The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

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

16.8 The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

16.9 The Company has not been declared wilful defaulter by any bank or financial Institution or other lender.

16.10 The Company does not have any Scheme of Arrangements which have been approved by the Competent Authority in terms of sections 230 to 237 of the Act.

16.11 The Company has complied with the number of layers prescribed under Section 2(87) of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

17 Other notes

17.1 No provision for income-tax has been made in the accounts for the year as it is estimated that there would be no taxable income under the provision of The Income Tax Act, 1961. The Company has not recognized deferred tax on all deductible temporary differences bases on the certainly and virtual certainty requirement as per Ind AS 112 Income Tax.

17.2 There is no revenue in the Company and therefore disclosure requirement of Ind AS 115 Revenue from Contracts with Customers are not applicable.

17.3 The accumulated losses of the company as at the year ended have eroded more than 50% of the shareholders funds. However the accounts of the Company have been prepared on going concern basis in the view of the continued availability of finance/financial support from the Holding Company and expected improvement in the economic conditions/scenario.

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

In terms of our report attached

For, R. S. Gokani & Co.
Chartered Accountants
FRN : 140229W

PRADEEP R. MAFATLAL *Chairman* DIN: 00015361

Rahul S. Gokani
Proprietor
Membership No : 163865

ASHISH R. KANSARA *Director* DIN: 03557963

Mumbai, Dated: May 19, 2025

Mumbai, Dated: May 19, 2025

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014)

MAFATLAL ENTERPRISES LIMITED

Registered Office:

59, 'The Arcade', 1st Floor, World Trade Centre, Cuffe Parade, Colaba, Mumbai-400 005

Tel.: +91 022 61391200 • E mail: tanaz@stansec.in • CIN: U24242MH1995PLC089649

29TH ANNUAL GENERAL MEETING

Name of the Member(s):
Registered address:
Email ID:
Folio No. / DP ID / Client ID No. :

I/We, being the member(s) of Mafatlal Enterprises Limited, holding ...., shares of the above named company, hereby appoint

Name: .... E-mail Id: ....

Address: ....

.... Signature: ....

or failing him/her

Name: .... E-mail Id: ....

Address: ....

.... Signature: ....

or failing him/her

Name: .... E-mail Id: ....

Address: ....

.... Signature: ....

P.T.O.

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the Company, to be held on Friday, 25th July 2025 at 2.30 P.M. at 59, The Arcade, 1st Floor, World Trade Centre, Cuffe Parade, Colaba, Mumbai – 400 005 or at any adjournment thereof in respect of such Resolutions as are indicated below:

Resolution Number	Resolution
ORDINARY BUSINESS	
1.	Adoption of Directors' Report, Audited Financial Statements for the year ended 31st March, 2025 & Auditors' Report thereon.
2.	Re-appointment of Shri Ashish Kansara (holding DIN: 03557963) who retires by rotation.
3.	Appointment of M/s. R.S. Gokani & Co, Chartered Accountants, Mumbai for a term of Five consecutive years from the conclusion of this AGM till the conclusion of 34th AGM.

Affix
Revenue
Stamp

Signed this .... day of .... 2025.

Signature of the member

Signature of the proxy holder(s)

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at 59, The Arcade. 1st Floor, World Trade Centre, Cuffe Parade, Colaba, Mumbai – 400 005, not less than 48 hours before the commencement of the Meeting.

ATTENDANCE SLIP

MAFATLAL ENTERPRISES LIMITED

Registered Office:
59, The Arcade, 1st Floor. World Trade Centre, Cuffe Parade, Colaba, Mumbai – 400 005.
Tele.: 022 61391200 • E mail: tanaz@stansec.in • CIN: U24242MH1995PLC089649

29TH ANNUAL GENERAL MEETING

Folio No. :

DP ID / Client ID No. :

No. of shares held :

I certify that I am a member / proxy of the Company.

I hereby record my presence at the 29th Annual General Meeting of the Company, to be held on Friday, 25th July, 2025 at 2.30 P.M. at 59, The Arcade. 1st Floor, World Trade Centre, Cuffe Parade, Colaba, Mumbai – 400 005

Member's / Proxy's Signature