

**RAJ RAJENDRA INDUSTRIES LTD.**

**324, 3<sup>RD</sup> FLOOR, HARI OM PLAZA,  
M. G. ROAD, BORIVALI (EAST)  
MUMBAI-400 066**

**31<sup>ST</sup>  
ANNUAL REPORT  
2024-2025**



**P. SUBRAMANIAM & ASSOCIATES**  
CHARTERED ACCOUNTANTS

B-504, 5th Floor, H.D.I.L. Kaledonia, Sahar Road, Andheri (East), Mumbai - 400 069.  
Tel.: 022 4520 9594 • E-mail : mani@psaca.in



**INDEPENDENT AUDITOR'S REPORT**

To  
The Members,  
Raj Rajendra Industries Limited

**Report on the Standalone Ind AS Financial Statements**

**Opinion**

We have audited the accompanying standalone **Ind AS** financial statements of **Raj Rajendra Industries Limited**. ("the Company), which comprise the Balance Sheet as on 31<sup>st</sup> March, 2025, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31<sup>st</sup> March, 2025, and its Profit and its changes in equity, and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act.

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

**Information other than the 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, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the Board's Report along with its Annexure, which is expected to be made available to us after that date.



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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's Report, 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 Ind AS Financial Statements**

The Management and Board of Directors of the Company are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2015 (as amended).

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

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

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

### **Auditor's Responsibility for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.



The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial 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 & qualitative factors in

- Planning the scope of our audit work and in evaluating the results of our work; and
- 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.

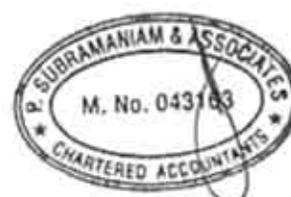


**Report on Other Legal and Regulatory Requirements**

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

Further to our comments in Annexure A, as required by section 143(3) of the Act, we further 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 purpose of our audit;
- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) the Balance Sheet, Statement of Profit and Loss, Cash Flow Statement and statement of changes in equity dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the aforesaid standalone financial statement comply with the applicable Accounting Standards specified under section 133 of the Act, read with the rule 7 of the Companies (Accounts) Rules, 2015 (as amended).
- e) There are no observations or comments on financial transactions or matters which have any adverse effect on the functioning of the company.
- f) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2025, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2025, from being appointed as a director in terms of section 164(2) of the Act.
- g) There is no qualification, reservation or adverse remark relating to maintenance of accounts and other matters connected therewith no need to include this.
- h) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- i) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act: In our opinion and to the best of our information and according to the explanations given to us, the provisions of section 197 read with schedule V to the companies Act, 2013 in respect of the remuneration paid by the Company to its directors during the year. The remuneration paid is in accordance with the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- j) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with the Rule 11 of the Companies (Audit and Auditors) Rules, 2015 (as amended):
  - i. The Company does not have any pending litigations which would impact on its financial position in its standalone Ind AS financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
  - iii. There has been no amount which is to be transferred to the Investor Education and Protection Fund during the financial year.



iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

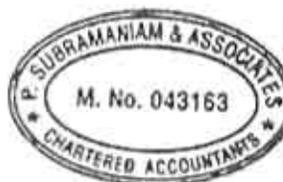
(c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The company has not declared or not paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

vi. Based on our examination of the books of account and other relevant records of the Company, and according to the information and explanations given to us, we report that the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility.

Further, in accordance with the requirements of the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, applicable with effect from April 1, 2023, the audit trail feature has been operated throughout the financial year ended March 31, 2025, for all transactions recorded in the software, and the audit trail has not been tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For P. Subramaniam & Associates  
Chartered Accountants  
FRN 110467W



CA - P. Subramaniam  
Proprietor

Mem. No. 043163

UDIN No.: 25043163BMOQTP7864

Place: Mumbai  
Dated: 21.05.2025

**"ANNEXURE A" TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF  
RAJ RAJENDRA INDUSTRIES LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup>  
MARCH 2025**

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

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and intangible assets.
- (b) As explained to us, all the assets have been physically verified by the management during the year. No material discrepancies in the assets have been noticed on such verification.
- (c) The title deed of immovable properties, as disclosed in Note 4 & 5 on fixed assets to the financial statement, are held in the name of the Company.
- (d) In our opinion and according to the information and explanations given to us, the company has not revalued any of its Property, Plant & Equipment or intangible assets during the year.
- (e) In our opinion and according to the information and explanations given to us no Proceedings have been initiated or there are no case pending against the company for holding any benami property under the Benami Transactions act 1988 and rules made thereunder.
- ii. (a) The inventory has been physically verified during the year by the management. In Our opinion, the frequency of verification is reasonable. In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business. On the basis of our examination of the records of inventory, we are of the opinion that the company is generally maintaining proper records of inventory. We have not found any discrepancies of 10% or more in aggregate, for each clause of inventory. Any discrepancies found were not material and the same have been properly dealt with in the books of account.
- (b) In our opinion and according to the information and explanations given to us, the company has been sanctioned working capital limit in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets; the quarterly returns or statement filed by the company with such banks are in agreement with the books of accounts of the Company.
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans or advance in nature of loan during the year to any other entity.
- (b) The Company has not made any investment during the year in any other entity. The details of old investment in the company is as under

Sr. No.	Particulars	Investment (in Lacs)
	Aggregate amount of investment made during the year:	
	Related party	Nil
	Balance outstanding as at balance sheet date in respect of above	



cases:	
Related party	229.72

In our opinion all the investment made are not prejudicial to the interest of the company.

(c) According to the information and explanations given to us there are no loans and advances in nature of loans outstanding hence the question of repayment of principal and interest does not arise.

(d) According to the information and explanations given to us and in view of no loans and advances outstanding the question of over dues payment does not arise.

(e) According to the information and explanations given to us the loan which was due in the current year has been received along with interest. No extension has been given to the said loan.

(f) According to the information and explanations given to us the company has not granted any loans or advance in nature of loan either repayable on demand or without specifying any term or period of repayment.

- iv. According to the information and explanations given to us and in our opinion all the provision of section 185 and 186 of the Companies Act, 2013 have been complied.
- v. According to the information and explanations given to us, the Company has not accepted deposits from the public. Hence the question of complying with the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or other relevant provisions of the Companies Act, 2013 and rules framed there under are not applicable to the Company.
- vi. According to the information and explanations given to us, The maintenance of cost records as specified by the Central Government has under Section 148(1) of the Companies Act has been duly maintained by the company.
- vii. (a) According to the information and explanations given to us, no undisputed amounts payable in respect of applicable statutory dues including Goods and Services Tax, Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, cess and any other Statutory dues were in arrears for a period exceeding six months as at the end of the financial year from the date they became payable.
- (b) According to the information and explanations given to us, where statutory dues referred to in sub-clause (a) there are no other statutory dues that have not been deposited with appropriate authorities on account of any dispute.
- viii. According to the information and explanations given to us the Company has no such transaction which are not recorded in the books of account and have surrendered or disclosed as income during the year in the assessment under the Income Tax Act, 1961 (43 of 1961).
- ix. According to the information and explanations give to us,
- (a) The Company have not defaulted in repayment of loans or other borrowing or in the payment of interest there on to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.



(c) The Term loan taken by the company has been applied for the purpose for which it was taken.

(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) We report that the Company has not taken any funds from any entity or person during the year on account of or to meet the obligation of its subsidiaries, associates or joint ventures.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, associate or joint ventures and hence, reporting of the Order is not applicable for the year under report.

(x) (a) The Company did not raise any money by way of initial public offer, further public offer (including debt instruments) during the year.

(b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year, as requirements of section 42 and section 62 of the Companies Act, 2013 is not applicable to the Company.

(xi) (a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

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

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

(xii) In our opinion and according to the information and explanation given to us, the company is not a Nidhi company. Hence the provision is not applicable to the Company.

(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 Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and, the company is not required to have internal Audit system and hence company does not have any internal audit system.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Hence the provision of section 192 of the Companies Act is not applicable to the company.

(xvi) According to the information and explanations given to us,

(a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India, 1934.



- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report of the Order is not applicable to the Company.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements are not applicable.
- (xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- (xviii) According to the information and explanations given to us, there is no resignation of the statutory auditors during the financial year.
- (xix) In our opinion and according to the information and explanations given to us, the financial ratios, ageing and expected dates of financials assets and payment of financials liabilities, other information's accompanying the financials statement, In our opinion and according to the information and explanation given to us the board of directors and management plans, there is no material uncertainty exist as on the date of audit report that the company is capable of meeting its liabilities existing at the date of Balance sheet as and when they fall due within period of one year from the balance sheet date.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility ("CSR") and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Act, or special account in compliance with the provision of sub-section (6) of section 135 of the said Act.
- (xxi) There is no qualification or adverse remark is in the Companies (Auditor's Report) Order (CARO) reports of the company.

For P. Subramaniam & Associates  
Chartered Accountants  
FRN 110467W



CA - P. Subramaniam  
Proprietor

Mem. No. 043163

UDIN No.: 25043163BMOQTP7864

Place: Mumbai  
Dated: 21.05.2025

**"ANNEXURE B" TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF  
RAJ RAJENDRA INDUSTRIES LIMITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST  
MARCH 2025**

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

We have audited the internal financial controls over financial reporting of Raj Rajendra Industries Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

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

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

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



**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Opinion**

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

Place: Mumbai  
Dated: 21.05.2025



For P. Subramaniam & Associates  
Chartered Accountants  
FRN 110467W

CA - P. Subramaniam  
Proprietor

Mem. No. 043163

UDIN No.: 25043163BMOQTP7864

# Raj Rajendra Industries Limited

Balance Sheet as at March 31, 2025

(Amount in Lakhs)

	Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
	<b>ASSETS</b>			
<b>A</b>	<b>Non-current assets</b>			
	a) Property, Plant and Equipment	4	3,343.98	1,205.93
	b) Capital Work in Progress	5	-	803.39
	c) Right of Use Asset	6	-	-
	d) Investment Property	7	1,694.39	1,627.78
	e) Financial Assets			
	i) Investments	8	230.72	230.72
	ii) Loans and Advances	9	26.85	21.97
			<b>5,295.94</b>	<b>3,889.79</b>
<b>B</b>	<b>Current Assets</b>			
	a) Inventories	10	1,112.80	953.25
	b) Financial Assets			
	i) Trade Receivables	11	1,291.20	960.83
	(ii) Cash and Cash Equivalents	12	3.12	2.87
	(iii) Loans and Advances	13	17.89	33.00
	c) Other Current Assets	14	401.98	185.67
			<b>2,826.98</b>	<b>2,135.62</b>
	<b>TOTAL</b>		<b>8,122.92</b>	<b>6,025.41</b>
	<b>EQUITY AND LIABILITIES</b>			
<b>A</b>	<b>Equity</b>			
	a) Equity Share Capital	15	850.00	850.00
	b) Other Equity	16	3,856.53	3,305.81
			<b>4,706.53</b>	<b>4,155.81</b>
<b>B</b>	<b>Liabilities</b>			
	<b>Non-current liabilities</b>			
	a) Financial Liabilities			
	i) Borrowings	17	1,414.12	686.79
	b) Provisions	18	13.48	20.90
	c) Deferred Tax Liabilities (Net)	19	130.30	96.05
			<b>1,557.90</b>	<b>803.74</b>
<b>C</b>	<b>Current liabilities</b>			
	a) Financial Liabilities			
	i) Short Term Borrowings	20	1,487.90	770.71
	ii) Trade Payables	21	-	-
	- Amount due to Micro and small enterprises		-	-
	- Amount due to other than Micro and small enterprises		230.04	193.13
	b) Other Current Liabilities	22	96.53	62.61
	c) Provisions	23	44.02	39.41
			<b>1,858.49</b>	<b>1,065.86</b>
	<b>TOTAL</b>		<b>8,122.92</b>	<b>6,025.41</b>

See accompanying notes to the Standalone Financial Statements

As per our audit report of even date

For and on behalf of the Board of Directors of

For P. Subramaniam & Associates

Raj Rajendra Industries Limited

Chartered Accountants

M. No. 110467W



*Ganpath R. Jain*  
Ganpath R. Jain  
Managing Director  
(DIN : 00684357)

*Kiran R. Jain*  
Kiran R. Jain  
Director  
(DIN : 00684349)

M. No. 043168  
P. Subramaniam

Proprietor  
M. No. 043163

UDIN: 25043163BMOQTP7864

Place: Mumbai

Place: Mumbai

Date: May 21, 2025

Date: May 21, 2025

# Raj Rajendra Industries Limited

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

(Amount in Lakhs)

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
<b>A Income</b>			
Revenue from Operations	24	11,270.79	9,521.28
Other Income	25	42.00	72.26
<b>Total income (A)</b>		<b>11,312.79</b>	<b>9,593.54</b>
<b>B Expenses</b>			
Cost of Materials Consumed	26	8,457.92	7,384.91
Changes in Inventories of Finished Goods and Work in Progress	27	9.11	(58.94)
Manufacturing Expenses	28	873.24	552.41
Employee Benefit Expenses	29	641.50	625.55
Finance Costs	30	104.52	105.78
Depreciation and Amortisation	4 & 6	104.51	112.49
Other Expenses	31	355.94	258.12
<b>Total Expenses (B)</b>		<b>10,546.74</b>	<b>8,980.32</b>
<b>C Profit Before Tax (A - B) (C)</b>		<b>766.05</b>	<b>613.22</b>
Exceptional Items		-	-
<b>Profit / (Loss) before Extraordinary Items and tax</b>		<b>766.05</b>	<b>613.22</b>
<b>D Tax expense:</b>	19		
- Income Tax - Current Year		192.74	157.00
- Income tax - Earlier Years		-	6.27
- Deferred Tax Charge/ (Credit)		34.25	(7.86)
<b>Total Tax Expense (D)</b>		<b>226.99</b>	<b>155.41</b>
<b>E Profit After Tax (C - D) (E)</b>		<b>539.06</b>	<b>457.81</b>
<b>F Other Comprehensive Income / (Loss)</b>			
a) (i) Items not to be reclassified subsequently to Statement of Profit and Loss			
- Remeasurement of defined benefit plans - gain/(loss)		11.66	2.56
- Income Tax relating to items that will be classified to Profit or Loss		-	-
b) (i) Items that will be reclassified subsequently to statement of Profit and Loss		-	-
(ii) Income tax relating to items that will be classified to Profit or Loss		-	-
<b>Other Comprehensive Income for the Year (F)</b>		<b>11.66</b>	<b>2.56</b>
<b>G Total Comprehensive Income for the Year (E + F)</b>		<b>550.72</b>	<b>460.37</b>
<b>Basic and Diluted Earnings Per Share</b>	32		
Equity shares [Face value of Rs. 10 each]		6.34	5.39

See accompanying notes to the Standalone Financial Statements

As per our audit report of even date  
For P. Subramaniam & Associates  
Chartered Accountants  
Firm Reg. No. 110467W



For and on behalf of the Board of Directors of  
Raj Rajendra Industries Limited

  
Ganpath R. Jain  
Managing Director  
(DIN : 00684357)

  
Kiran R. Jain  
Director  
(DIN : 00684349)

Place: Mumbai  
Date: May 21, 2025

Place: Mumbai  
Date: May 21, 2025

**Raj Rajendra Industries Limited**  
Cash Flow Statement for the Year ended March 31, 2025

(Amount in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit / (loss) before taxes	766.05	613.22
<u>Adjustments for:</u>		
Finance cost	104.52	105.78
Interest income	(37.97)	(52.88)
Dividend income	(0.27)	
Depreciation and amortization	104.51	112.49
(Profit) on sale/ discard of fixed assets	(3.71)	(0.91)
Provision for Expected credit Loss	10.17	(17.68)
<b>Operating profit / (loss) before working capital changes</b>	<b>943.30</b>	<b>760.02</b>
<b>Movement in Working Capital</b>		
(Increase) / Decrease in Loans	10.23	(20.55)
(Increase) / Decrease in Inventories	(159.55)	76.28
(Increase) / Decrease in Other Assets including Financial Assets	(216.29)	(19.09)
(Increase) / Decrease in Trade Receivables	(340.53)	589.48
(Decrease) / Increase in Trade Payables and Other Liabilities	70.83	(557.99)
(Decrease) / Increase in Provisions and Employee Benefits	3.33	3.92
	<b>311.31</b>	<b>832.07</b>
<b>Adjustment for:</b>		
Direct taxes paid (including Tax Deducted at Source)	(187.22)	(141.65)
<b>Net Cash Generated/ (Used In) from Operating Activities...(A)</b>	<b>124.09</b>	<b>690.42</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment (Including capital work in progress and capital advances)	(1,439.17)	(26.13)
Purchase on Investment Property	(66.62)	(81.44)
Sale of Property, Plant and Equipment	3.71	1.00
Dividend Income	0.27	
Interest Income	37.97	52.88
<b>Net Cash (Used In) / from Investing Activities... (B)</b>	<b>(1,463.84)</b>	<b>(53.69)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/ (Repayment) of Long Term Borrowings (net)	727.33	(182.91)
Increase/ (Decrease) in Working Capital Loan	717.19	(346.47)
Interest Paid (Including Other Borrowing Cost)	(104.52)	(105.78)
<b>Net cash (Used in) / from Financing Activities... (C)</b>	<b>1,340.00</b>	<b>(635.16)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+ B+C)</b>	<b>0.25</b>	<b>1.57</b>
Cash and Cash Equivalents at beginning of the Year (Refer note 12)	2.87	1.30
Cash and Cash Equivalents at end of the Year	3.12	2.87
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>0.25</b>	<b>1.57</b>

**Notes:**

- (i) Cash flow statement has been prepared under "indirect method" as set out in Ind AS 7 - "Cash Flow Statement".  
(ii) Refer note 37 for other cash flow statement related notes.

See accompanying notes to the Standalone Financial Statements

As per our report of even date

For P. Subramaniam & Associates  
Chartered Accountants  
Firm No. 110467W

M. No. 043163  
CA - P. Subramaniam  
Proprietor  
Mem No. 043163

UDIN: 250431638M0QTP7864

Place: Mumbai  
Date: May 21, 2025

For and on behalf of the Board of Directors of  
Raj Rajendra Industries Limited



Genpath R. Jain      Kiran R. Jain  
Managing Director      Director  
(DIN : 00684357)      (DIN : 00684349)

Place: Mumbai  
Date: May 21, 2025

## Raj Rajendra Industries Limited

Statement of Changes in Equity for the Year ended March 31, 2025

(a) Equity Share Capital

(Amount in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	850.00	850.00
Changes in Equity Share Capital during the Year	-	-
Closing balance	850.00	850.00

(Refer note )

(b) Other Equity

Particulars	Reserves & Surplus	Other Comprehensive Income	Total Other Equity
	Retained Earnings	Remeasurement gain/ (loss) of defined benefit plan	
Balance as at April 1, 2023	2,836.64	8.80	2,845.44
Profit for the Year	457.81	-	457.81
Other Comprehensive Income/ (loss) for the Year (net)	-	2.56	2.56
Balance as at March 31, 2024	3,294.45	11.36	3,305.81
Profit for the Year	539.06	-	539.06
Other Comprehensive Income/ (loss) for the Year (net)	-	11.66	11.66
Balance as at March 31, 2025	3,833.51	23.02	3,856.53

As per our audit report of even date

For P. Subramaniam & Associates

Chartered Accountants  
Firm Reg. No. 110467W

M. No. 043163

CA P. Subramaniam  
Proprietor

Mem No: 043163

UDIN: 25043163BMO@TP7864

Place: Mumbai  
Date: May 21, 2025

For and on behalf of the Board of Directors of

Raj Rajendra Industries Limited



Ganpath R. Jain  
Managing Director  
(DIN : 00684357)

Kiran R. Jain  
Director  
(DIN : 00684349)

Place: Mumbai  
Date: May 21, 2025

**1. Background**

The Company was incorporated on 5<sup>th</sup> May 1994 under Companies Act, 1956 and is domiciled in India. The registered office of the Company is located at 324, 3rd Floor, Hari Om Plaza, M. G. Road, Opp. National Park, Borivali (East) Mumbai-400 066, India. The Company is in the business of manufacturing and trading in textile products. Currently, it has manufacturing plants in Umargaon (Gujarat) and Palghar and Boisar (Maharashtra).

The financial statements of the Company for the year ended 31<sup>st</sup> March, 2025 were approved and adopted by board of directors of the Company in their meeting held 21<sup>st</sup> May, 2025.

**2. Basis of preparation**

**2.1. Statement of compliance with Ind AS**

The financial statements (on standalone basis) of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

These financial statements are prepared complying in all material respects with the Ind AS notified under Section 133 of the Companies Act, 2013. The financial statements comply with Ind AS notified by the Ministry of Corporate Affairs ("MCA").

**2.2. Functional and presentation of currency**

The financial statements are prepared in Indian Rupees which is also the Company's functional currency.

**2.3. Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:



Level 1 – Unadjusted quoted price in active markets for identical assets and liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 – unobservable inputs for the asset or liability

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

Fair values have been determined for measurement and / or disclosure purpose using methods as prescribed in "Ind AS 113 Fair Value Measurement".

#### 2.4. Use of significant accounting estimates, judgements and assumptions

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of financial statements and reported amounts of income and expenses for the periods presented. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Significant estimates and critical judgement in applying these accounting policies are described below:

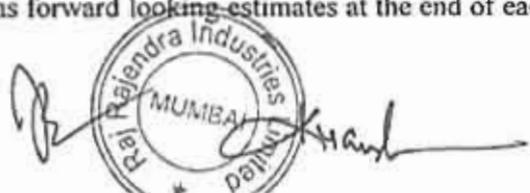
##### i) Property, plant & equipment, investment property and Intangible assets

The Company has estimated the useful life, residual value and method of depreciation / amortisation of property, plant & equipment, investment property and intangible assets based on its internal technical assessment. Property, plant & equipment, investment property and intangible assets represent a significant proportion of the asset base of the Company. Further, the Company has estimated that scrap value of property, plant & equipment and investment property would be able to cover the residual value & decommissioning costs of property, plant & equipment and investment property.

Therefore, the estimates and assumptions made to determine useful life, residual value, method of depreciation/amortization and decommissioning costs are critical to the Company's financial position and performance.

##### ii) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation based on industry practice, Company's past history and existing market conditions as well as forward looking estimates at the end of each reporting period.



iii) Income taxes

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore, the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the statement of profit and loss.

3. Significant Accounting Policies

3.1. Presentation and disclosure of standalone financial statement

All assets and liabilities have been classified as current and non-current as per Company's normal operating cycle and other criteria set out in the division II of Schedule III of the Companies Act, 2013 for a company whose financial statements are made in compliance with the Companies (India Accounting Standards) Rules, 2015.

Based on the nature of service and the time between rendering of services and their realization in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current / non-current classification of assets and liabilities.

3.2. Property, Plant and Equipment and Depreciation

**Recognition and measurement**

Property plant and equipment are stated at their cost of acquisition. Cost of an item of property, plant and equipment includes purchase price including non-refundable taxes and duties, borrowing cost directly attributable to the qualifying asset, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and the present value of the expected cost for the dismantling/decommissioning of the asset.

Parts (major components) of an item of property, plant and equipment having different useful lives are accounted as separate items of property, plant and equipments.

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. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Capital work-in-progress comprises of cost incurred on property, plant and equipment under construction / acquisition that are not yet ready for their intended use at the Balance Sheet Date.

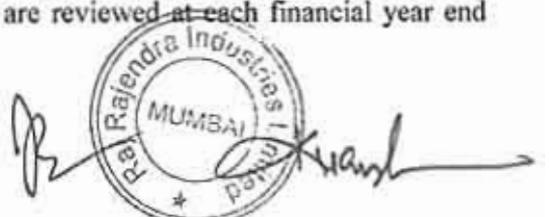
**Depreciation and useful lives**

Depreciation on the property, plant and equipment (other than freehold land and capital work in progress) is provided on a straight-line method (SLM) over their useful lives which is in consonance of useful life mentioned in Schedule II to the Companies Act, 2013.

Building on leasehold lands and improvements to building on leasehold land / premises are amortized over the period of lease or useful life whichever is lower.

Leasehold land considered as finance lease is amortized over the period of lease.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively.



### **De-recognition**

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is de-recognised.

### **3.3. Intangible assets and amortisation**

#### **Recognition and measurement**

Intangible assets are recognized only if it is probable that the future economic benefits attributable to asset will flow to the company and the cost of asset can be measured reliably. Intangible assets are stated at cost of acquisition/development less accumulated amortization and accumulated impairment loss if any.

Cost of an intangible asset includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable expenditure on making the asset ready for its intended use.

Intangible assets under development comprises of cost incurred on intangible assets under development that are not yet ready for their intended use as at the Balance Sheet date.

#### **Amortization and useful lives**

Computer softwares are amortized on straight line basis. Amortisation methods and useful lives are reviewed at each financial year end and adjusted prospectively.

In case of assets purchased during the year, amortization on such assets is calculated on pro-rata basis from the date of such addition

### **3.4. Inventories**

The inventories (including traded goods) are valued at lower of cost and net realisable value after providing for cost of obsolescence wherever considered necessary. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

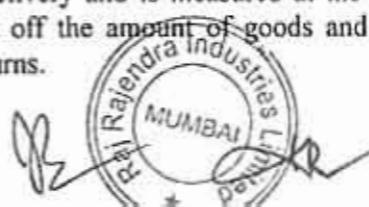
The cost comprises of costs of purchase, duties and taxes (other than those subsequently recoverable), conversion cost and other costs incurred in bringing the inventories to their present location and condition.

In case of work in progress and finished goods, the costs of conversion include costs directly related to the units of production and systematic allocation of fixed and variable production overheads. The cost of finished goods also includes excise duty wherever applicable.

### **3.5. Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the amount can be reliably measured.

- a) Sales of goods are recognised when significant risks and rewards of ownership of the goods have passed to the buyer that coincides with delivery and is measured at the fair value of consideration received or receivable taking net off the amount of goods and services tax (GST), sales tax, rebates, discounts and sales returns.



- b) Interest income is recognised on time proportion basis taking into account the amount outstanding and rate applicable.
- c) Dividend income on investment is accounted for in the period/year in which the right to receive the same is established.
- d) Service income is recognised upon rendering of services. Service income is recorded net of service tax/GST.
- e) Rental income (net of taxes) on assets given under operating lease arrangements is recognised on a straight-line basis over the period of the lease unless the receipts are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases.

### **3.6. Government grants**

Government grants are recognized in the period to which they relate when there is reasonable assurance that the grant will be received and that the Company will comply with the attached conditions. Government grants are recognized in the Statement of Profit and Loss on systematic basis over a period in which the Company recognizes as expenses the related costs for which the grants are intended to compensate.

### **3.7. Foreign currency transaction**

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. As at the Balance Sheet date, foreign currency monetary items are translated at closing exchange rate. Exchange difference arising on settlement or translation of foreign currency monetary items are recognised as income or expense in the year in which they arise.

Foreign currency non-monetary items which are carried at historical cost are reported using the exchange rate at the date of transactions.

### **3.8. Employee benefits**

- Short term employee benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss in the period in which the employee renders the related service.

- Post-employment benefits & other long term benefits

#### **a. Defined contribution plan**

The defined contribution plan is a post-employment benefit plan under which the Company contributes fixed contribution to a Government Administered Fund and will have no obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund and Employee State Insurance Scheme. The Company's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the period in which the employee renders the related service.



b. Post-employment benefit and other long term benefits

The Company has defined benefit plans comprising of gratuity. The present value of the defined benefit obligations is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

For gratuity plan, re-measurements comprising of (a) actuarial gains and losses and (b) the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Such re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

Gains or losses on the curtailment or settlement of defined benefit plan are recognised when the curtailment or settlement occurs.

Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions for other employee benefit plan [other than gratuity] are recognized immediately in the Statement of Profit and Loss as income or expense.

3.9. Borrowing cost

Borrowing costs (net of interest income on temporary investments) that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the respective asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. Ancillary cost of borrowings in respect of loans not disbursed are carried forward and accounted as borrowing cost in the year of disbursement of loan. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest expenses calculated as per effective interest method, exchange difference arising from foreign currency borrowings to the extent they are treated as an adjustment to the borrowing cost and other costs that an entity incurs in connection with the borrowing of funds.

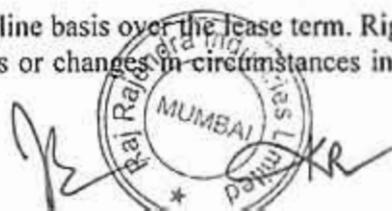
3.10. Leases

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

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

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

Right-of-use assets are depreciated on a straight-line basis over the lease term. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their



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

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

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

### **3.11. Taxes on income**

Tax expenses for the year comprises of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted outside profit or loss (i.e. in other comprehensive income or equity), the corresponding tax effect, if any, is also adjusted outside profit or loss.

Provision for current tax is made as per the provisions of Income Tax Act, 1961.

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, and deferred tax assets are recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxation authority.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which such deferred tax assets can be utilized. In situations where the Company has unused tax losses and unused tax credits, deferred tax assets are recognised only if it is probable that they can be utilized against future taxable profits. Deferred tax assets are reviewed for the appropriateness of their respective carrying amounts at each Balance Sheet date.

Minimum Alternative Tax ("MAT") credit is recognised as an asset only when and to the extent it is probable that the Company will pay normal income tax during the specified period.

At each reporting date, the Company re-assesses unrecognised deferred tax assets. It recognises previously unrecognised deferred tax assets to the extent that it has become probable that future taxable profit allow deferred tax assets to be recovered.

### **3.12. Cash and cash equivalent**

Cash and cash equivalents include cash in hand, bank balances, deposits with banks (other than on lien) and all short term and highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.



For the purpose of cash flow statement, cash and cash equivalent as calculated above also includes outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**3.13. Cash flow statement**

Cash flows are reported using the indirect method, where by net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities are segregated.

**3.14. Provisions, contingent liabilities,contingent assets**

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

The Company does not recognize a contingent asset but discloses its existence in the financial statements if the inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

**3.15. Earnings per share**

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible preference shares, debentures or any other instrument, from the date consideration is receivable (generally the date of their issue) of such instruments.

Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

**3.16. Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. 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. 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.

### 3.16.1. 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

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

#### Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount on initial recognition.

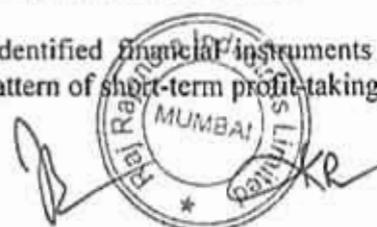
Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

#### Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- It has been acquired principally for the purpose of selling 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 or a financial guarantee. Dividends on these investments in equity instruments are recognised in profit or loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the 'Other income' line item.

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

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, 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 dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

#### Impairment of financial assets

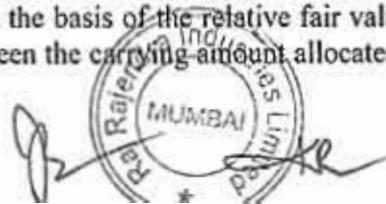
The Company recognizes loss allowances using the expected credit loss (ECL) model based on 'simplified approach' for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime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

#### De-recognition of financial asset

The Company de-recognises 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 also recognises a collateralised borrowing for the proceeds received.

On de-recognition 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 de-recognition 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 recognised 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.

### **3.16.2. Financial liability and equity instrument**

#### **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 de-recognition 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 at FVTPL**

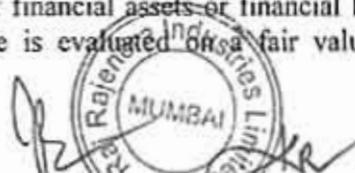
Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

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.

A financial liability other than a financial liability held for trading or contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies, may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in



- accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

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.

However, for non-held-for-trading financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. The remaining amount of change in the fair value of liability is always recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are reflected immediately in retained earnings and are not subsequently reclassified to profit or loss.

Gains or losses on financial guarantee contracts and loan commitments issued by the Company that are designated by the Company as at fair value through profit or loss are recognised in profit or loss.

#### Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability or (where appropriate) a shorter period, to the gross carrying amount on initial recognition.

#### Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.



#### **Commitments to provide a loan at a below-market interest rate**

Commitments to provide a loan at a below-market interest rate are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

#### **Compound financial instruments**

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity component. The equity component is recognised initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and the equity components, if material, in proportion to their initial carrying amounts.

Subsequent to the initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest rate method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

#### **Offsetting of financial instruments**

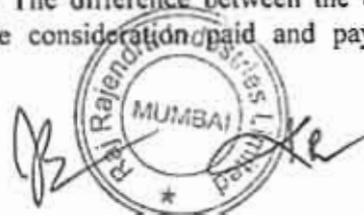
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

#### **Reclassification**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

#### **De-recognition of financial liabilities**

The Company de-recognises 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 de-recognised and the consideration paid and payable is recognised in profit or loss.



## Raj Rajendra Industries Limited

Notes to Financial Statements as at March 31, 2025

### 4 Property, Plant and Equipment

Rate	Factory Building	Office Building	Computers & Printers	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Total
Gross carrying value								
Balance as at March 31, 2023	580.61	116.24	3.30	983.57	30.03	126.35	13.54	1,853.64
Additions	-	-	-	-	-	-	-	-
Deletions	-	-	-	3.27	-	-	-	3.27
Balance as at March 31, 2024	580.61	116.24	3.30	980.30	30.03	126.35	13.54	1,850.37
Additions	1,747.32	-	-	453.03	-	42.22	-	2,242.57
Deletions	-	-	-	-	-	8.68	-	8.68
Balance as at March 31, 2025	2,327.93	116.24	3.30	1,433.33	30.03	159.89	13.54	4,084.26
Accumulated depreciation								
Balance as at March 31, 2023	67.85	8.31	2.85	436.09	18.78	21.18	6.37	561.43
Depreciation for the Year	11.88	2.08	0.45	54.20	0.53	15.01	2.04	86.19
Deletions for the Year	-	-	-	3.16	-	-	-	3.16
Balance as at March 31, 2024	79.73	10.39	3.30	487.11	19.31	36.19	8.41	644.44
Depreciation for the Year	24.72	2.08	-	56.00	0.53	19.14	2.04	104.51
Deletions for the Year	-	-	-	-	-	8.68	-	8.68
Balance as at March 31, 2025	104.45	12.47	3.30	543.11	19.84	46.65	10.45	740.27
Net Carrying Amount								
Balance as at March 31, 2024	500.88	105.85	-	493.19	10.72	90.16	5.13	1,205.93
Balance as at March 31, 2025	2,223.48	103.77	-	890.22	10.19	113.24	3.09	3,343.98

For details of assets given as security, refer note 17.1 and 20.1.



## Raj Rajendra Industries Limited

Notes to Financial Statements as at March 31, 2025

### 5 Capital Work in Progress

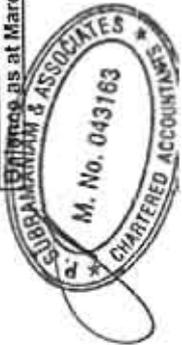
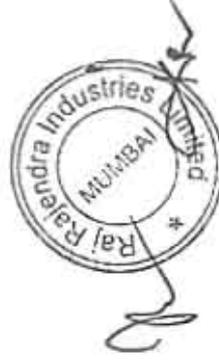
(Amount in Lakhs)

Particulars	Factory Building
Rate	
Gross carrying value	777.26
Balance as at March 31, 2023	26.13
Additions	-
Deletions	-
Balance as at March 31, 2024	803.39
Additions	-
Deletions	803.39
Balance as at March 31, 2025	-
Net carrying amount	
Balance as at March 31, 2024	803.39
Balance as at March 31, 2025	-

### 6 Right of use asset

(Amount in Lakhs)

Particulars	Leaso hold land	Factory land	Total
Rate			
Gross carrying value			30.17
Balance as at March 31, 2023	30.17	-	-
Additions	-	-	-
Deletions	-	-	-
Balance as at March 31, 2024	30.17	-	30.17
Additions	-	-	-
Deletions	-	-	-
Balance as at March 31, 2025	30.17	-	30.17
Accumulated depreciation			
Balance as at March 31, 2023	3.87	-	3.87
Depreciation for the Year	26.30	-	26.30
Deletions during the Year	-	-	-
Balance as at March 31, 2024	30.17	-	30.17
Depreciation for the Year	-	-	-
Deletions during the Year	-	-	-
Balance as at March 31, 2025	30.17	-	30.17
Net carrying amount			
Balance as at March 31, 2024	-	-	-
Balance as at March 31, 2025	-	-	-



# Raj Rajendra Industries Limited

Notes to Financial Statements as at March 31, 2025

## 7 Investment Property

(Amount in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Real Estate*	1,694.39	1,627.78
<b>Total</b>	<b>1,694.39</b>	<b>1,627.78</b>

Investment in underconstruction property.

## 8 Investments

(Amount in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>(a) Investment measured at Fair Value through Profit or Loss</b>		
Investment in Equity Instruments		
Unquoted		
Sumati Spintex Private Limited 22,70,000 equity shares (March 31, 2024 22,70,000) of Rs. 10 each	229.72	229.72
Cosmos Co-Op Bank Limited 5,000 equity shares (March 31, 2024 5,000) of Rs. 20 each	1.00	1.00
<b>Total</b>	<b>230.72</b>	<b>230.72</b>
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	230.72	230.72
Market value of quoted investments	-	-
Aggregate amount of impairment in value of investments	-	-

## 9 Loans and advances

(Amount in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good unless otherwise stated		
Security deposits		
- Others	26.85	21.97
<b>Total</b>	<b>26.85</b>	<b>21.97</b>

## 10 Inventories

(Amount in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>At lower of Cost or Not Realisable Value</b>		
Raw Material	1,052.16	883.50
WIP & Finished goods	60.64	69.75
<b>Total</b>	<b>1,112.80</b>	<b>953.25</b>

10.1 Mode of Valuation - Refer note no. 3.4 of significant accounting policy.

10.2 Refer Note - 20.1 for information on hypothecation of inventories.

## 11 Trade Receivable

(Amount in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Receivable		
- Considered good	1,331.13	990.55
+ Considered doubtful	-	-
Sub-total	1,331.13	990.55
Less: Allowance for expected credit loss	39.93	29.72
<b>Total</b>	<b>1,291.20</b>	<b>960.83</b>

### 11.1 Trade receivables ageing analysis

(Amount in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Undisputed trade receivables - considered good		
- Less than 6 months	1,331.13	946.81
- 6 Months - 1 Year	-	43.74
- 1-2 Years	-	-
- 2-3 Years	-	-
More than 3 Years	-	-
<b>Total</b>	<b>1,331.13</b>	<b>990.55</b>

11.2 There were no receivables due by directors or any of the officers of the Company.

11.3 Refer Note - 20.1 for information on hypothecation of trade receivables



**Raj Rajendra Industries Limited**  
Notes to Financial Statements as at March 31, 2025

**12 Cash and Cash Equivalent**

Particulars	(Amount in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Balances with bank		
- In current accounts	-	0.03
- Cash in hand	3.12	2.84
<b>Total</b>	<b>3.12</b>	<b>2.87</b>

**13 Loans and Advances (Current)**

Particulars	(Amount in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Advance to Vendors	6.10	15.95
Advance to Employees	11.79	17.05
<b>Total</b>	<b>17.89</b>	<b>33.00</b>

**14 Other Current Assets**

Particulars	(Amount in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Balances with Government authorities (GST input credit)	362.08	152.40
Prepaid expenses	9.32	8.52
GST refund receivable	30.58	23.75
<b>Total</b>	<b>401.98</b>	<b>185.67</b>

**15 Share Capital**

Particulars	(Amount in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
<b>Authorised Capital</b> 120,00,000 (March 31, 2024: 120,00,000) Equity Shares of Rs. 10 each.		
<b>Total</b>	<b>1,200.00</b>	<b>1,200.00</b>
<b>Issued, Subscribed and Paid-up</b> 85,00,000 (March 31, 2024 85,00,000) Equity Shares of Rs. 10 each, fully paid up		
<b>Total</b>	<b>850.00</b>	<b>850.00</b>

**15.1 Terms/ rights attached to equity shares :**

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, there are no preferential amounts inter se equity shareholders. The distribution will be in proportion to the number of equity shares held by the shareholders (after due adjustment in case shares are not fully paid up).

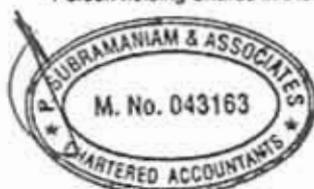
**15.2 Reconciliation of the number of shares outstanding is set out below:**

Particulars	(Amount in Lakhs)			
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	Number of Shares	Amount	Number of Shares	Amount
Number of shares at the beginning	85,00,000	850.00	85,00,000	850.00
Add: Shares issued during the Year	-	-	-	-
Less: Buyback during the Year	-	-	-	-
<b>Number of shares at the end</b>	<b>85,00,000</b>	<b>850.00</b>	<b>85,00,000</b>	<b>850</b>

**15.2 Details of shareholders holding more than 5 % shares and also shares held by promoters**

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of Shares	% held	Number of Shares	% held
Ganpath R. Jain*	10	0.00%	10	0.00%
Harish R. Jain*	10	0.00%	10	0.00%
Kiran R. Jain*	10	0.00%	10	0.00%
Rekha H. Jain*	10	0.00%	10	0.00%
Leena K. Jain*	10	0.00%	10	0.00%
Narpat D. Jain*	10	0.00%	10	0.00%
<b>RRIL Limited</b>	<b>84,99,940</b>	<b>100.00%</b>	<b>84,99,940</b>	<b>100.00%</b>

\*Person holding Shares in the capacity as nominee of RRIL Ltd.



**16 Other Equity**

(Amount in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Surplus/ (deficit) in the Statement of Profit and loss (Refer note 16.1)</b>		
As per last balance sheet	3,294.45	2,836.64
Add: Profit/(loss) for the Year	539.06	457.81
<b>Closing balance</b>	<b>3,833.51</b>	<b>3,294.45</b>
<b>Other comprehensive income</b>		
As per last balance sheet	11.36	8.80
Add: Movement in OCI (Net) during the Year	11.66	2.56
<b>Closing balance</b>	<b>23.02</b>	<b>11.36</b>
<b>Total</b>	<b>3,856.53</b>	<b>3,305.81</b>

16.1 Surplus / (Deficit) in Statement of Profit and Loss represent net loss remaining after all intra reserve allocations.

**17 Borrowings (Non - Current)**

(Amount in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Non-current Borrowings</b>		
<b>Secured</b>		
Term loans (Refer note 17.1(a))		
- From banks (Refer Note 17.1(a) and 17.2)	1,687.91	878.79
- From others	-	-
	1,687.91	878.79
Less: Current maturities of long term loans	273.79	192.00
<b>Total</b>	<b>1,414.12</b>	<b>686.79</b>

17.1 Details of security provided and terms of repayment

(a) Term Loan from Kotak Mahindra Bank is secured against Office Premises located in Mumbai.

17.2 Term loan from bank is repayable in equated monthly installments and last installment payable in September 2028.

**18 Provision (Non-Current)**

(Amount in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for gratuity (Refer note 36(ii)(a))	13.48	20.90
<b>Total</b>	<b>13.48</b>	<b>20.90</b>

**19 Deferred tax Assets/ (Liabilities)**

19.1 Significant components of net deferred tax assets and liabilities

(Amount in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Deferred Tax Assets</b>		
Fiscal disallowances	13.51	13.03
<b>Sub-total (A)</b>	<b>13.51</b>	<b>13.03</b>
<b>Deferred Tax Liabilities</b>		
Difference in net carrying value of property, plant and equipment, intangible assets and investment properties as per income tax and books	143.80	109.08
<b>Sub-total (B)</b>	<b>143.80</b>	<b>109.08</b>
<b>Deferred tax assets/(liability)</b>	<b>(A-B)</b>	<b>(96.05)</b>



# Raj Rajendra Industries Limited

Notes to Financial Statements as at March 31, 2025

## 19.2 Reconciliation of tax expenses and the accounting profit multiplied by applicable tax rate for March 31, 2025 and March 31, 2024:

Particulars	(Amount in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Profit before tax (a)	766.05	613.22
Income tax rate as applicable (b)	25.17%	25.17%
Income tax liability/(asset) as per applicable tax rate (a X b)	192.82	154.35
<b>Tax effect of amounts which are not deductible/ not taxable in calculating taxable income</b>		
(i) Expenses disallowed for tax purposes	5.72	2.21
(ii) Current Tax expenses of earlier Years	-	6.27
(iii) Deferred Tax expenses of earlier Years	34.25	(7.48)
(iii) Other disallowances	(5.80)	0.06
<b>Tax expense reported in the Statement of Profit and Loss/ Other comprehensive income</b>	<b>226.99</b>	<b>155.41</b>
	226.99	155.41

### Note:

- (a) The Company offsets tax assets and liabilities in and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same authority.

## 19.3 Income tax recognised in the Statement of Profit and Loss:

Particulars	(Amount in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
<b>Current Tax</b>		
In respect of the current Year	192.74	157.00
In respect of the earlier Years	-	6.27
	192.74	163.27
<b>Deferred Tax</b>		
Deferred Tax Charge/ (Credit)	34.25	(7.86)
	34.25	(7.86)
<b>Total Tax Expense recognized in Current Year</b>	<b>226.99</b>	<b>155.41</b>

## 20 Borrowings (Current)

Particulars	(Amount in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
<b>Short Term Borrowings</b>		
Working Capital Loan		
From bank		
- Cash Credit Facility (Refer Note 20.1)	1,214.11	578.71
Current maturities of Long Term Borrowings	273.79	192.00
<b>Total</b>	<b>1,487.90</b>	<b>770.71</b>

- 20.1 Working capital loan from Kotak Mahindra Bank Ltd is secured by Hypothecation of present and future stocks of Raw Material, Stock in Process, finished goods and Book debts of the Company and collaterally secured by immovable property situated at Umbergaon of the Company and personal guarantees of two directors.

## 21 Trade Payables

Particulars	(Amount in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Outstanding dues of micro enterprises and small enterprises (Refer note 21.1)	-	-
Outstanding dues of creditors other than micro enterprises and small enterprises	230.04	193.13
<b>Total</b>	<b>230.04</b>	<b>193.13</b>

- 21.1 Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act (MSMED Act), 2006 has been requested to the parties however the information has not been provided by the parties, hence information regarding MSME has not given.



**Raj Rajendra Industries Limited**  
Notes to Financial Statements as at March 31, 2025

**21.2 Trade Payable Ageing Analysis**

(Amount in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Micro, small and medium enterprises</b>		
Less than 1 Year	-	-
1-2 Years	-	-
2-3 Years	-	-
More than 3 Years	-	-
<b>Total</b>	-	-
<b>Others</b>		
Less than 1 Year	230.04	193.13
1-2 Years	-	-
2-3 Years	-	-
More than 3 Years	-	-
<b>Total</b>	<b>230.04</b>	<b>193.13</b>

**22 Other Current Liabilities**

(Amount in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance from customer	4.00	0.80
Advance against Capital Expenses	15.82	-
Statutory dues	13.11	14.09
Employees' Related dues	63.60	47.72
<b>Total</b>	<b>96.53</b>	<b>62.61</b>

**23 Provisions (Current)**

(Amount in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Gratuity (Refer note 36(ii)(a))	0.25	1.16
Provision for Income Tax (net)	43.77	38.25
<b>Total</b>	<b>44.02</b>	<b>39.41</b>



# Raj Rajendra Industries Limited

Notes to Financial Statements for the Year ended March 31, 2025

## 24 Revenue from Operations

Particulars	(Amount in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Income from sale of goods and services		
- Sale of goods	11,270.79	9,505.08
- Job work income	-	16.20
Other operating revenue	-	-
<b>Total</b>	<b>11,270.79</b>	<b>9,521.28</b>

## 24.1 Disclosure pursuant to Ind AS 115: Revenue from contract with customers

a Disaggregated revenue	(Amount in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Revenue by geographical market		
Within India	11,270.79	9,521.28
Outside India	-	-
<b>Total</b>	<b>11,270.79</b>	<b>9,521.28</b>

## b Contract Balances

Particulars	(Amount in Lakhs)			
	As at 31, 2025	March 31, 2025	As at 31, 2024	March 31, 2024
Trade receivable (Refer note 11)		1,291.20		960.83
Contract liabilities (Refer note 22)		4.00		0.80
<b>Net Contract Balances</b>		<b>1,295.20</b>		<b>961.63</b>

## c Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

Particulars	(Amount in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Revenue as per contract price	11,270.79	9,521.28
Less: Adjustment		
- Government grants - export incentives		
Add: Adjustments		
<b>Net revenue from contract with customers</b>	<b>11,270.79</b>	<b>9,521.28</b>

## 25 Other Income

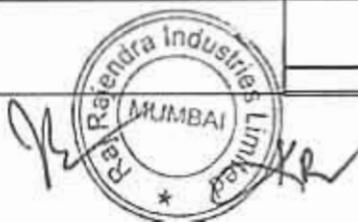
Particulars	(Amount in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Interest income on		
- Interest from customers	36.61	52.88
- Interest on deposit GEB	1.36	-
Dividend from long term investment	0.27	-
Sundry balances written back	0.05	-
Profit On Sale/ Discard of Property, Plant and Equipment	3.71	0.91
Foreign Fluctuation	-	0.79
Reversal of Provision for expected credit Loss	-	17.68
<b>Total</b>	<b>42.00</b>	<b>72.26</b>

## 26 Cost of Raw Material Consumed

Particulars	(Amount in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Opening Stock		
Raw Material (Yarn)	683.42	711.90
Raw Material (Grey)	200.08	306.82
<b>Total Opening Stock (A)</b>	<b>883.50</b>	<b>1,018.72</b>
Add: Purchases		
Yarn	6,965.19	5,568.14
Fabrics	1,661.39	1,681.55
<b>Total Purchase (B)</b>	<b>8,626.58</b>	<b>7,249.69</b>
Less: Closing stock		
Raw Material (Yarn)	942.29	683.42
Raw Material (Grey)	109.87	200.08
<b>Total of Closing stock (C)</b>	<b>1,052.16</b>	<b>883.50</b>
<b>Cost of Raw Material Consumed</b>	<b>8,457.92</b>	<b>7,384.91</b>

## 27 Changes in Inventories of Work in Progress and Finished Goods

Particulars	(Amount in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Opening Stock of W.I.P & Finished Goods	69.75	10.81
Closing Stock of W.I.P. & Finished Goods	60.64	69.75
<b>Total</b>	<b>9.11</b>	<b>(58.94)</b>



# Raj Rajendra Industries Limited

Notes to Financial Statements for the Year ended March 31, 2025

## 28 Manufacturing expenses

Particulars	(Amount in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Power and fuel	146.04	149.93
Job charges	617.54	261.92
Consumption of stores and spares	57.45	88.24
Transportation charges	23.55	21.14
Repairs expenses for		
- Buildings	-	-
- Plant and machinery	14.96	8.09
Insurance	13.70	23.09
<b>Total</b>	<b>873.24</b>	<b>552.41</b>

## 29 Employee Benefit Expenses

Particulars	(Amount in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	516.59	500.24
Directors remuneration	104.50	106.90
Contribution to provident and other funds	4.80	4.44
Provision for gratuity (Refer note 36(ii).)	3.33	3.93
Staff welfare expenses	12.28	10.04
<b>Total</b>	<b>641.50</b>	<b>625.55</b>

## 30 Finance Costs

Particulars	(Amount in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense at effective interest rate on borrowings which are measured at amortized cost	104.52	105.78
<b>Total</b>	<b>104.52</b>	<b>105.78</b>

## 31 Other Expenses

Particulars	(Amount in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Operating expenses		
Licenses, rates and taxes	7.15	6.87
Repairs expenses for		
- Others	10.98	1.31
Advertisement, publicity and sales promotion	-	0.07
Selling and distribution expenses	11.51	18.14
Brokerage expenses	221.36	161.50
Communication expenses	4.46	3.36
Office Rent	9.39	7.93
Printing and stationery	2.83	2.27
Professional and consultancy charges	26.43	23.83
Travelling and conveyance	19.95	17.43
Misc expenses	6.85	3.92
Stamp Duty	8.34	0.04
Auditors' remuneration (Refer Note 31.1)	2.26	2.26
RTA Connectivity Charges	0.23	0.23
Sundry Balance W/off	-	0.15
Donation	0.30	2.49
CSR Expenditure (Refer Note 39)	10.00	6.19
Bank charges	3.69	0.13
Provision for Expected credit Loss	10.21	-
<b>Total</b>	<b>355.94</b>	<b>258.12</b>

### 31.1 Auditors' Remuneration

	(Amount in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Statutory audit fees	1.11	1.11
Tax audit fees	0.40	0.40
Other services	0.75	0.75
<b>Total</b>	<b>2.26</b>	<b>2.26</b>



# Raj Rajendra Industries Limited

Notes to Financial Statements for the Year ended March 31, 2025

## 32 Earnings per share

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>Basic and diluted earning per share</b>		
Profit attributable to the equity holders of the Company (Rs. in Lakhs)	539.06	457.81
Weighted average number of equity shares	85,00,000	85,00,000
Face value per equity share (Rs.)	10	10
Basic and diluted earnings per share in Rs.	6.34	5.39

## 33 Capital commitments, other commitments and contingent liabilities

### 33.1 Capital Commitments.

- (a) Estimated amount of capital commitments to be executed on capital accounts and not provided for Rs. 561.52/- Lakhs as at March 31, 2025 (March 31, 2024: Rs. 494.90/- Lakhs).

### 33.2 Contingent liability (to the extent not provided for)

(Amount in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Claims against the Company/ disputed liabilities not acknowledged as debts		
TDS Payable	4.56	13.84

In respect of above, the Company does not expect any reimbursement in respect of above.

## 34 Disclosures as required by Indian Accounting Standard (Ind AS) 24 - Related Party Disclosures

### 34.1 Name and relationships of related parties:

- (a) Entities having significant influence over the Company: RRIL Limited
- (b) Entities in which Director/ KMP and relatives have significant influence: Rishabraj Estate Developers Private Limited  
Sumati Spintex Private Limited  
(Only where there are transactions/ balances)
- (c) Key Management Personnel [KMP]: Mr. Ganpath Jain, (Managing Director)  
Mr. Kiran R. Jain, (Director)  
Mr. Hiren Chhedda, (Director)  
Mr. Manan R. Jhaveri (Director) (Appointed w.e.f 16th August, 2024)  
Mr. Jinang Shah, (Director) (Resigned w.e.f 16th August, 2024)  
Mr. Krish H Jain, (Director) (Resigned w.e.f 16th August, 2024)
- (d) Relatives of KMP: Mrs. Leena K Jain, (Wife of Mr. Kiran Jain)  
(Only where there are transactions)

### 34.2 Transactions with related parties

(Amount in Lakhs)

Name of the party	Nature of transaction	Year ended March 31, 2025	Year ended March 31, 2024
Kiran R. Jain	Remuneration	90.00	82.50
Hiren Chhedda	Remuneration	12.00	12.40
Krish H Jain	Remuneration	4.00	12.00
Kiran R. Jain	Interest on Loan	-	1.04
Leena K. Jain	Salary paid	43.20	24.00
RRIL Limited	Rent Income	-	-
Kiran R. Jain	Loan Taken	-	50.00
	Loan Repaid	-	50.00
<b>Outstanding balances:</b>			
Sumati Spintex Pvt. Ltd	Investment in shares	229.72	229.72

#### Notes:

- (a) Transactions with related parties and outstanding balances at the Year end are disclosed at transaction value.
- (b) In addition to above transactions, two directors of the has given personal guarantee for loan taken by the Company (Refer nota 20.1)



## Raj Rajendra Industries Limited

Notes to Financial Statements for the Year ended March 31, 2025

### 34.3 Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the Year-end are unsecured and settlement occurs in cash. For the Year ended March 31, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial Year through examining the financial position of the related party and the market in which the related party operates.

### 35 Breakup of compensation to key managerial personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

#### (a) Compensation to KMP as specified in note 34.1 (c) above:

Particulars	(Amount in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Short term employee benefits	106.60	106.90
Other long term benefits*	-	-
<b>Total</b>	<b>106.60</b>	<b>106.90</b>

\*As the liabilities for defined benefit plans are provided on actuarial basis for the Company as a whole, the amounts pertaining to Key Management Personnel are not included.

### 36 Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'

#### (i) Disclosures for defined contribution plan

The Company has certain defined contribution plans. The obligation of the Company is limited to the amount contributed and it has no further contractual obligation. Following is the details regarding Company's contributions made during the Year:

Particulars	(Amount in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Provident and other funds	4.80	4.44
Employees' state insurance (ESIC)	0.28	0.23
<b>Total</b>	<b>5.08</b>	<b>4.67</b>

#### (iii) Disclosures for defined benefit plans

##### I. Defined benefit obligations - Gratuity (Unfunded)

The Company has a defined benefit gratuity plan for its employees. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed five Years of service is entitled to specific benefit. The level of benefits provided depends on the employee's length of service and salary at retirement age. Every employee who has completed five Years or more of service gets a gratuity on departure at 15 days salary (last drawn) for each completed Year of service as per the provisions of the Payment of Gratuity Act, 1972. The scheme is unfunded.

##### Risks associated with plan provisions

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follows:

Actuarial risk:	It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons: <b>Adverse Salary Growth Experience:</b> Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected. <b>Variability in mortality rates:</b> If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate. <b>Variability in withdrawal rates:</b> If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.
Investment risk	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
Liquidity risk	Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cashflows.
Market risk	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & viceversa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
Legislative risk	Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.



## Raj Rajendra Industries Limited

Notes to Financial Statements for the Year ended March 31, 2025

a. For determination of the liability in respect of compensated gratuity, the Company has used following actuarial assumptions:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Discount Rate (per annum)	6.80%	7.10%
Salary Escalation (per annum)	4.00%	4.00%
Mortality Rate	As per Indian Assured Lives Mortality (2012-14)	

b. Changes in the present value of obligations

Particulars	(Amount in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Liability at the beginning of the Year	22.06	20.70
Interest cost	1.57	1.52
Current service cost	1.76	2.40
Benefits paid	-	-
Past service cost	-	-
Actuarial (gain)/loss on obligations	(11.66)	(2.56)
Liability at the end of the Year	13.73	22.06

c. Table of recognition of actuarial gain / loss

Particulars	(Amount in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Actuarial (gain)/ loss on obligation for the Year	(11.66)	(2.56)
Actuarial gain/ (loss) on assets for the Year	-	-
Actuarial (gain)/ loss recognised in Statement of Profit and Loss	(11.66)	(2.56)

d. Breakup of actuarial (gain) /loss:

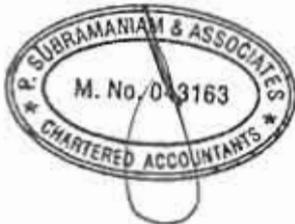
Particulars	(Amount in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Actuarial loss/(gain) arising from change in demographic assumption	-	-
Actuarial loss arising from change in financial assumption	0.53	1.65
Actuarial loss/(gain) arising from experience	(12.19)	(4.21)
Total	(11.66)	(2.56)

e. Amount recognized in the Balance Sheet:

Particulars	(Amount in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Liability at the end of the Year	13.73	22.06
Fair value of plan assets at the end of the Year	-	-
Amount recognized in Balance Sheet	13.73	22.06

f. Expenses recognized in the Income Statement:

Particulars	(Amount in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Current service cost	1.76	2.40
Interest cost	1.57	1.52
Expected return on plan assets	-	-
Past Service Cost	-	-
Actuarial (Gain)/Loss	(11.66)	(2.56)
Expense/ (income) recognized in		
- Statement of Profit and Loss	3.33	3.93
- Other comprehensive Income	(11.66)	(2.56)



## Raj Rajendra Industries Limited

Notes to Financial Statements for the Year ended March 31, 2025

### g. Balance sheet reconciliation

Particulars	(Amount in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Opening net liability	22.06	20.70
Expense recognised in Statement of Profit and Loss & OCI	(8.33)	1.36
<b>Amount recognized in Balance Sheet</b>	<b>13.73</b>	<b>22.06</b>
Non current portion of defined benefit obligation	13.48	20.90
Current portion of defined benefit obligation	0.25	1.16

### h. Sensitivity analysis of benefit obligation (Gratuity)

Particulars	(Amount in Lakhs)	
	2024-25	2023-24
a) Impact of change in discount rate		
Present value of obligation at the end of the Year		
a) Impact due to increase of 1%	12.06	19.57
b) Impact due to decrease of 1%	15.69	24.98
b) Impact of change in salary growth		
Present value of obligation at the end of the Year		
a) Impact due to increase of 1%	15.57	24.31
b) Impact due to decrease of 1%	12.12	19.82
c) Impact of change in withdrawal rate		
Present value of obligation at the end of the Year		
a) withdrawal rate increase	14.15	22.88
b) withdrawal rate decrease	13.27	21.15

### (i) Maturity profile of defined benefit obligation

Particulars	(Amount in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Projected benefit obligation	13.73	22.06
Accumulated benefit obligation	13.73	22.06

### (j) Pay-out analysis

Particulars	(Amount in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
1st Year	0.27	1.16
2nd Year	0.28	0.65
3rd Year	0.30	0.59
4th Year	0.31	0.55
5th Year	0.33	1.35
Next 5 Year pay-out (6-10 Year)	2.12	3.18

### ii. Compensated absences (non-funded)

As per the policy of the Company, obligations on account of benefit of accumulated leave of an employee is settled every Year and there is no accumulation of leave. Such liability is recognised on accrual basis calculated arithmetically based on Year end unpaid leave compensation which is going to be paid in subsequent Year.

### 37 Note on Cash Flow Statement

i) The aggregate amount of outflow on account of direct taxes paid is Rs. 187.22 Lakhs (Previous Year Rs. 141.65 Lakhs).

ii) Changes in financing liabilities arising from cash and non-cash changes:

Particulars	(Amount in Lakhs)			
	Opening balance	Cash flows	Non-cash changes	Closing
	01-Apr-24	2024-2025		31-Mar-25
Borrowings (including interest dues)	1,457.50	1,444.52	-	2,902.02
	01-Apr-23	2023-2024		31-Mar-24
Borrowings (including interest dues)	1,986.88	(529.38)	-	1,457.50

### 38 Disclosures as required by Indian Accounting Standard (Ind AS) 108 - Operating Segments

There are no reportable segments under Ind AS-108 'Operating Segments' as the Company is operating only in the "Manufacturing of Fabrics", therefore, disclosures of segment wise information is not applicable. Further, no single customer represents 10% or more of the Company's total revenue during the Year ended March 31, 2025 and March 31, 2024.



## Raj Rajendra Industries Limited

Notes to Financial Statements for the Year ended March 31, 2025

### 39 Note on Corporate Social Responsibility Expenditure during the Year

(Amount in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
a. Gross amount required to be spent by the Company during the Year	10.00	6.19
b. Amount approved by the Board to be spent during the Year	10.00	6.19
c. Carried forward unspent amount from the previous Year	-	-
d. Amount spent during the Year	-	-
- (i) Construction/ acquisition of any assets	-	-
- (ii) On purpose other than (i) above	10.00	6.19

### 40 Leases (Ind AS 116)

#### (a) As lessee

Company has taken Lease hold land on operating lease. Details of lease are as given below:

Following is the information pertaining to leases for the Year ended March 2025 and March 2024:

(Amount in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
a. Depreciation charge for Right to Use Asset	-	26.30
b. Interest expense on Lease Liability	-	-
c. Expense relating to short term leases accounted in profit & loss	-	-
d. Total Cash Outflow for leases for the period	-	-
e. Additions to Right to use Assets	-	-
f. Carrying Amount of Right to use Assets as on March 31, 2025	-	-

### 41 Ratios:

Financial ratios	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	% Change
(a) Current ratio	Current Assets	Current Liabilities	1.52	2.00	-24.08%
(b) Debt Equity Ratio	Total debt	Total shareholders equity	0.62	0.35	75.81%
(c) Debt Service coverage ratio	Earnings available for debt services	Total interest and principal repayments	2.53	2.42	4.69%
(d) Return on Equity (%)	PAT	Total equity	0.11	0.11	3.97%
(e) Inventory Turnover ratio	Cost of Material Consumed	Closing inventories	7.60	7.75	-1.89%
(f) Trade receivable Turnover ratio	Revenue from operations	Closing trade receivables	8.73	9.91	-11.91%
(g) Trade payable Turnover	Adjusted expenses	Closing trade payables	37.50	37.54	-0.10%
(h) Net capital turnover ratio	Revenue from operations	Working capital	11.64	8.90	30.75%
(i) Net profit (%)	Net profit	Revenue	0.05	0.05	-0.53%
(j) EBITDA	EBITDA	Revenue	0.09	0.09	-0.93%
(k) Return on capital	EBIT	Capital employed	0.13	0.13	1.42%

#### Reason for change more than 25%

- (i) Debt Equity Ratio - There has been increase in total debts during the period/ year ended 31st March, 2025 as compared to a decrease in the previous year.
- (ii) Net capital turnover ratio - There has been increase in revenue and decrease in the net working capital during the period/ year ended 31st March, 2025 as compared to earlier years.

### 42 Additional information as required by para 5 of General Instructions for preparation of Statement of Profit and Loss (other than already disclosed above) are either Nil or Not Applicable.



# Raj Rajendra Industries Limited

Notes to Financial Statements for the Year ended March 31, 2025

## 43 Financial Instruments - Accounting classifications & fair value measurement

### (a) Financial Instruments by category

(Amount in Lakhs)

Sr. No.	Particulars	31-Mar-25			31-Mar-24		
		Amortised Cost	FVTOCI	FVTPL	Amortised Cost	FVTOCI	FVTPL
<b>A</b>	<b>Financial assets</b>						
(i)	Non-current investments	-	-	230.72	-	-	230.72
(ii)	Other non-current financial	26.85	-	-	21.97	-	-
(iii)	Trade receivables (net)	1,291.20	-	-	960.83	-	-
(iv)	Cash and cash equivalents	3.12	-	-	2.87	-	-
(v)	Other bank balances	-	-	-	-	-	-
(vi)	Loans and advances	17.89	-	-	33.00	-	-
	<b>Total financial assets</b>	<b>1,339.06</b>	<b>-</b>	<b>230.72</b>	<b>1,018.67</b>	<b>-</b>	<b>230.72</b>
<b>B</b>	<b>Financial liabilities</b>						
(i)	Non-current borrowings	1,414.12	-	-	686.79	-	-
(ii)	Current borrowings	1,487.00	-	-	770.71	-	-
(iii)	Trade payables	230.04	-	-	193.13	-	-
	<b>Total financial liabilities</b>	<b>3,132.06</b>	<b>-</b>	<b>-</b>	<b>1,650.63</b>	<b>-</b>	<b>-</b>

FVTOCI - Fair Value Through Other Comprehensive Income

FVTPL - Fair Value Through Profit or Loss

### (b) Fair valuation techniques

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The management assessed that fair value of Trade receivables (net), Cash and cash equivalents, Loans and advances, Current borrowings, Trade payables and Other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. Further, the management has assessed that fair value will be approximate to their carrying amounts as they are priced to market interest rates on or near the end of reporting period.

### (c) Fair value hierarchy

Financial assets and financial liabilities are measured at fair value in the financial statement and are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

### (d) Financial assets/ liabilities measured at fair value

The following table represents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis.

(Amount in Lakhs)

Particulars	Level	31-Mar-25		31-Mar-24	
		Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>					
Non-current investments	Level 3	229.72	229.72	229.72	229.72
<b>Total financial assets</b>		<b>229.72</b>	<b>229.72</b>	<b>229.72</b>	<b>229.72</b>

### (e) Valuation techniques used to determine fair value

The level 3 hierarchy includes financial assets measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(a) Discounted cash flow method (income approach) is used for valuation of investment in equity instruments.



# Raj Rajendra Industries Limited

Notes to Financial Statements for the Year ended March 31, 2025

- (f) The following table summarizes the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (e) above for the valuation techniques adopted.

Sr. No.	Particulars	Fair value as at		Significant unobservable inputs	Probability - Weighted range	Sensitivity Impact <sup>^</sup>	
		March 31, 2025	March 31, 2024			Reduction in discount rate FV Increase <sup>^</sup>	Increase in discount rate FV Decrease <sup>^</sup>
		1	Unlisted equity instruments			230.72	230.72

\*Sensitivity has been considered for mentioned inputs, keeping the other variables constant. There were no significant inter-relationships between unobservable inputs that materially affect fair values.

<sup>^</sup> This represents increase/ decrease in fair values considering changes in inputs.

- (g) The following table presents the changes in level 3 items for the Year ended March 31, 2025 and March 31, 2024:

Particulars	Investment in equity instrument
As at 1st April 2023	230.72
Acquisition during the Year	-
Disposal during the Year	-
Gains/(loss) recognised in other comprehensive income/ Statement of profit and loss	-
As at March 31, 2024	230.72
Acquisition during the Year	-
Disposal during the Year	-
Gains/(loss) recognised in other comprehensive income/ Statement of profit and loss	-
As at March 31, 2025	230.72

- (h) Fair value of Instruments measured at amortised cost:

Particulars	Level	31-Mar-25		31-Mar-24	
		Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>					
Investment	Level 3	230.72	230.72	230.72	230.72
Loans	Level 3	26.85	26.85	21.97	21.97
Trade receivable	Level 3	1,291.20	1,291.20	960.83	960.83
Cash and cash equivalent	Level 3	3.12	3.12	2.87	2.87
Loans	Level 3	17.89	17.89	33.00	33.00
<b>Total financial assets</b>		<b>1,669.78</b>	<b>1,669.78</b>	<b>1,249.39</b>	<b>1,249.39</b>
<b>Financial liabilities</b>					
Borrowings	Level 3	2,902.02	2,902.02	1,457.50	1,457.50
Trade payable	Level 3	230.04	230.04	193.13	193.13
Other financial liabilities	Level 3	96.53	96.53	62.61	62.61
<b>Total financial liabilities</b>		<b>3,228.59</b>	<b>3,228.59</b>	<b>1,713.24</b>	<b>1,713.24</b>

Notes:

(i) The above disclosures are given only for non-current financial assets and non-current financial liabilities. Short term financial assets and current financial liabilities (Investment, cash and cash equivalents, other receivables, trade payables and other current financial liabilities) represents the best estimate of fair value.

(ii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(iii) There have been no transfers between Level 1 and Level 2 for the Years ended March 31, 2025, March 31, 2024.



# Raj Rajendra Industries Limited

Notes to Financial Statements for the Year ended March 31, 2025

## 44 Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company's Board of Director oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Board of Directors is assisted in its oversight role by internal audit team. Internal audit team undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Board of Directors.

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk;
- Market risk

### (a) Credit risk :

Credit risk arises from the possibility that customers or counterparty to financial instruments may not be able to meet their obligations. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. Credit risks arises from cash and cash equivalents, deposits with banks, financial institutions and others, as well as credit exposures to customers, including outstanding receivables.

The Company considers factors such as track record, size of institutions, market reputation and service standards to select banks with which balances and deposits are maintained. the balances and fixed deposits are generally maintained with the banks with whom the Company has regular transactions. Further, the Company does not maintain significant cash in hand other than those required for its day to day operations. Considering the same, the Company is not exposed to expected credit loss of cash and cash equivalent and bank balances.

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before entering into contract. Sale limits are established for each customer, reviewed regularly and any sales exceeding those limits require approval from the appropriate authority. There are no significant concentrations of credit risk within the Company.

### (b) Liquidity risk :

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputation.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the Company's debt financing plans, covenant compliance and compliance with internal statement of financial position ratio targets.

### (i) Maturities of financial liabilities:

The following are the remaining contractual maturities of financial liabilities at the reporting date:

(Amount in Lakhs)

Particulars	Less than 1 Year	1 to 5 Year	Above 5 Years	Total
<b>As at March 31, 2025</b>				
Borrowings	1,487.90	1,414.12	-	2,902.02
Trade payables	230.04	-	-	230.04
Other current financial liabilities	-	-	-	-
<b>As at March 31, 2024</b>				
Borrowings	770.71	686.79	-	1,457.50
Trade payables	193.13	-	-	193.13
Other current financial liabilities	-	-	-	-

### (c) Market risk

Market risk is the risk that the changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The pre dominant currency of the Company's revenue and operating cash flows is Indian Rupees (INR). Company has no earnings in foreign currency. There is no foreign currency risk as there is no outstanding foreign currency exposure at the Year end.

### (d) Interest Rate Risk

The Company has taken term loans from bank and others. With respect to loans from banks and others aggregating to Rs. 1,688 as at March 31, 2025 (as at March 31, 2024 Rs. 879, interest rate is fixed. Therefore, there are no interest rate risks, since neither the carrying amount nor the future cash flows will fluctuate because of change in market interest rates.



# Raj Rajendra Industries Limited

Notes to Financial Statements for the Year ended March 31, 2025

## 45 Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern so, that they can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce cost of capital. The Company manages its capital structure and make adjustments to, in light of changes in economic conditions, and the risk characteristics of underlying assets. In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements.

Consistent with others in the industry, the Company monitors capital on the basis of the gearing ratio. The ratio is calculated as net debt divided by equity. Net debt is calculated as total borrowing (including current and non-current terms loans as shown in the balance sheet).

The Company monitors capital using 'Total Debt' to 'Equity'. The Company's Total Debt to Equity are as follows:

Particulars	(Amount in Lakhs)	
	31-Mar-25	31-Mar-24
Total debt*	2,902.02	1,457.50
Total capital (total equity shareholder's fund)	4,706.54	4,155.82
Net debt to equity ratio	0.62	0.35

\* Total debt = Non-current borrowings + current borrowings + current maturities of non-current borrowings

## 46 Additional regulatory information required by Schedule III to the Companies Act, 2013

- The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the year.
- The Company has not come across any transaction occurred with struck-off companies under section 24B of the Companies Act, 2013 or section 560 of the Companies Act, 1956.
- The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority.
- The Company does not have any charges or satisfaction of charges which is yet to be registered with the Registrar of the Companies beyond the statutory period.
- Utilization of borrowed funds and share premium :
  - 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:
    - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
    - Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
  - 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:
    - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
    - Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.

47 Previous Year's figures have been rearranged / regrouped wherever necessary.

As per our Audit Report of even date

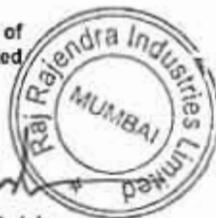
For P. Subramaniam & Associates  
Chartered Accountants  
Firm Reg. No. 110467W



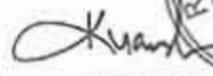
UDIN: 25043163BMO@TP7864

Place: Mumbai  
Date: May 21, 2025

For and on behalf of the Board of Directors of  
Raj Rajendra Industries Limited



  
Ganpath R. Jain  
Managing Director  
(DIN: 00684357)

  
Kiran R. Jain  
Director  
(DIN: 00684349)

Place: Mumbai  
Date: May 21, 2025