

## INDEPENDENT AUDITOR'S REPORT

To the Members of

**T.C. TERRYTEX LIMITED**

### Report on the Financial Statements

We have audited the accompanying financial statements of **T.C. TERRYTEX LIMITED** ('the Company'), which comprise the Balance Sheet as at 31 March 2025 and the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's responsibilities for the audit of the 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained are sufficient and appropriate to provide a basis for our opinion on the financial statements.

### Key Audit Matters

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

We have determined that there are no key audit matters to communicate in our report



## **Emphasis of Matter**

*We draw attention regarding the following matters referred in the Financial Statements which require user's attention:*

### **1. First-time adoption of IND AS**

- We draw attention to Note 40 of the financial statements, which describes that the Company has prepared these financial statements for the year ended 31st March 2025 in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.*
- These are the Company's first financial statements prepared under Ind AS. The corresponding figures for the previous year have been restated to comply with Ind AS.*

### **2. Trade Receivables**

- In respect of the Trade Receivables, no confirmation or reconciliation from Trade Debtors has been provided. So, we are unable to comment on the truth and fairness of such balance.*

### **3. Exchange differences in Foreign Currency Loans**

- In respect of Foreign Currency Term Loans and Foreign Currency Working Capital Loans availed by the company, there has a closing balance of Foreign Currency Term Loan of \$14,51,199.96 and \$68,46,812.83 for Foreign Currency Working Capital Loans. As per IND AS 109, the loans have been recognized in the books at the forward contracted rate and the corresponding hedging loss on the hedging instruments has been recognized in the Statement of Profit and Loss.*

### **4. Capital Advances**

- Long-term capital advances to suppliers that are due beyond one year have been discounted at the average borrowing rate to reflect fair value. The resulting impact due to loss of interest income has been charged to the Profit and Loss Statement.*



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

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual report, but does not include the Financial Statements and our auditor's report thereon.

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

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

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



## Auditor's 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

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

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

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



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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books; except for the matters stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - c) The Balance Sheet and the Statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
  - e) On the basis of the written representations received from the directors as on 31 March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the company has complied with the provisions of section 197 read with Schedule V to the Act.
  - h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - a. the Company has disclosed pending litigations which would impact its financial position. Refer note 38 of the Financial Statements.



- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.
- d. (i) 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;
- (ii) 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 Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
- e. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- f. Based on our examination which included test checks and in accordance with the requirements of the Implementation Guide on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014, the Company has used an accounting software for maintaining its books of account, but the feature of recording audit trail (edit log) facility in terms of the Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 was not enabled throughout the year.

Place: Chandigarh  
Date: 30-08-2025  
UDIN: 25573222BOERIF4089

For J MANDAL & CO LLP  
Chartered Accountants  
FRN: 302100E/N500422

  
CA Pushp Garg  
(Partner)  
M. No.: 573222



## "Annexure A" to the Independent Auditors' Report

(Referred to in paragraph 1 under the heading of 'Report on Other Legal and Regulatory Requirements' section of our report to the members of T.C. TERRYTEX LIMITED of even date).

On the basis of the information and explanation given to us during the course of our audit, we report that:

(i) a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of all fixed assets.

(B) The company does not have any intangible assets. Accordingly, clause (i)(a)(B) of paragraph 3 of the Order is not applicable to the Company.

b) Pursuant to the company's program of verifying property, plant and equipment in a phased manner, physical verification was conducted during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us, title deeds of immovable properties, classified as fixed assets, are held in the name of the company.

d) The company has not revalued its property, Plant, and Equipment during the year. Therefore, the provisions of Clause (i)(d) of paragraph 3 of the order are not applicable to the company.

e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Therefore, the provisions of Clause (i)(e) of paragraph 3 of the order are not applicable to the company.

(ii) a) In our opinion, physical verification of inventory has been conducted at reasonable intervals by the management and the coverage and procedure of such verification by the management are appropriate. No material discrepancies were noticed on such verification.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets during any point of time of the year. The quarterly returns or statements filed by the company with such banks or financial institutions are not in agreement with the books of account of the Company in respect of following:

(Amount in Millions)

Particulars	Qtr. / Month ending	As per Books	As per Statement	Difference
Stock	30-06-2024	1620.47	1620.52	(0.05)
Debtors		1097.73	1097.73	-
Creditors		669.83	669.86	(0.03)
Stock	30-09-2024	1669.1	1669.1	-
Debtors		1103.83	1103.89	(0.06)
Creditors		716.92	716.92	-



Stock	31-12-2024	1742.43	1742.43	-
Debtors		1064.82	1064.83	(0.01)
Creditors		698.29	698.32	(0.03)
Stock	31-03-2025	1861.33	1861.33	-
Debtors		1102.07	1102.07	-
Creditors		916.82	916.82	-

The quarterly returns/statement of current assets as submitted to banks compared to books of accounts doesn't reflect material discrepancies. Further, the quarterly returns/statement of current assets submitted to banks were prepared before incorporating the impact of certain adjustments pertaining to cut off of revenue and purchase, as the Company did not have a formal quarterly closing process for its books of accounts.

(iii) (a) In our opinion and according to the information provided to us the company has made investments but has not provided guarantees and granted unsecured loans or advances in the nature of loans.

Nature	Aggregate Amount During the Year	Balance Outstanding as on 31.03.2025
Investment in Mutual Funds	Rs. 0.00	Rs. 1,22,21,343.31
Investment in Union Corporate Bond	Rs. 0.00	Rs. 60,35,101.20
Investment in Union Multi Asset Allocation	Rs. 5,00,000	Rs. 4,99,475.03
Fixed Deposits	Rs. 17,46,23,620	Rs. 23,60,38,603

(iv) According to the information and explanations given to us and on the basis of our examination of the records, in respect of loans, investments, guarantees, and security, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

(v) According to the information and explanations given to us, the Company has not accepted deposits from the public in terms of provisions of sections 73 to 76 of the Companies Act, 2013 therefore reporting under this clause is not applicable.

(vi) As per information & explanation given by the management, maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act and such accounts and records have been so made and maintained.

(vii) a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has been generally regular in depositing statutory dues as applicable.

b) According to the information and explanations given to us, and the records of the Company examined by us, there are no disputed dues of GST, income tax, custom duty, service tax, wealth tax, Value added tax, excise duty and Cess which have not been deposited.

(viii) In our opinion and according to the information and explanations given to us, there is no transaction not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961)



- (ix) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- b) In our opinion and according to the information and explanations given to us, the company has not been a declared willful defaulter by any bank or financial institution or other lender.
- c) According to the information and explanations given to us by the management, the loans have been applied for the purpose for which they were obtained.
- c) In our opinion and according to the information and explanations given to us, the loans were applied for the purpose for which the loans were obtained.
- d) In our opinion and according to the information and explanations given to us, there are no funds raised on short-term basis which have been utilized for long-term purposes.
- e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) According to the information and explanations given to us, on an overall basis, the company has not raised any money by way of initial public offer or further public offer (including debt instruments)
- (xi) a) According to the information and explanations given to us and on the basis of representation of the management which we have relied upon, no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- b) During the year no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) As auditors, we did not receive any whistle-blower complaints during the year.
- (xii) Since the company is not a Nidhi company, therefore this clause is not applicable.
- (xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of The Companies Act, 2013 as applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) The company is covered by section 138 of the Companies Act, 2013, related to appointment of internal auditor of the company. Therefore, the company is required to appoint any internal auditor. Therefore, the provisions of Clause (xiv) of paragraph 3 of the order are applicable to the Company.



- (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit
- (xv) According to the information and explanations given to us based on our examination of the record of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Therefore, the provisions of clause 3(xv) of the order are not applicable.
- (xvi) a) The company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.
- b) The company has not conducted any Non-Banking Financial or Housing Finance activities during the year.
- c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. (d) As per the information and explanations received, the group does not have any CIC as part of the group.
- (xvii) The company has not incurred cash losses in current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly reporting under this clause is not applicable to the company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) Based on our examination, the Company was required to incur an aggregate expenditure of Rs. 22,49,600 towards Corporate Social Responsibility (CSR) during the year. The Company has fully complied with this requirement, and there is no unspent CSR amount for the year.



(xxi) The company has not made investments in the subsidiary company. Therefore, the company does not require to prepare a consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company

For J MANDAL & CO LLP  
Chartered Accountants  
FRN: 302100E/N500422



CA Pushp Garg  
(Partner)  
M. No.: 573222

Place: Chandigarh  
Date: 30-08-2025  
UDIN: 25573222BOERIF4089

***Report on Internal Financial Controls with reference to financial statements***

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 T.C. TERRYTEX LIMITED as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal 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 judgement, including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error.

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



### Meaning of Internal Financial Controls Over Financial Reporting

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

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

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

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 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: -Chandigarh  
Date: 30-08-2025  
UDIN: 25573222BOERIF4089

For J. MANDAL AND CO  
Chartered Accountants  
FRN: 302100E/N500422



CA Pushp Garg  
(Partner)  
Membership No. 573222

**T.C. TERRYTEX LIMITED**
**Annexure I- Audited Statement of Assets and Liabilities**

(Amount in INR millions, except for share data unless otherwise stated)

Particulars		Notes	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<b>Assets</b>					
(1)	<b>Non-current assets</b>				
(a)	Property, plant and equipment	3a	1,173.00	1,251.40	1,041.82
(b)	Capital work-in-progress	3a		31.01	170.76
(c)	Financial assets				
	- Investments	4	18.76	16.84	17.19
	- Other financial assets	5	80.59	87.92	79.76
(d)	Other non-current assets	6	44.24	43.40	46.58
	<b>Total non-current assets</b>		<b>1,316.58</b>	<b>1,430.57</b>	<b>1,356.11</b>
(2)	<b>Current assets</b>				
(a)	Inventories	7	1,861.32	1,732.04	1,655.10
(b)	Financial assets				
	(i) Trade receivables	8	1,101.65	1,085.41	1,031.99
	(ii) Cash and cash equivalents	9	8.11	7.81	21.72
	(iii) Bank balances other than (ii) above	10	179.16	26.48	19.32
	(iv) Other financial assets	11	2.61	2.11	2.29
(c)	Current Tax Asset (Net)	12	139.88	111.79	49.30
(d)	Other current assets	13	254.95	310.39	296.60
	<b>Total current assets</b>		<b>3,547.68</b>	<b>3,276.03</b>	<b>3,076.32</b>
	<b>Total assets</b>		<b>4,864.27</b>	<b>4,706.60</b>	<b>4,432.42</b>
<b>Equity and liabilities</b>					
(1)	<b>Equity</b>				
(a)	Equity share capital	14	1,293.18	1,293.18	1,293.18
(b)	Other equity	15	519.87	348.27	211.16
	<b>Total equity</b>		<b>1,813.05</b>	<b>1,641.45</b>	<b>1,504.34</b>
(2)	<b>Liabilities</b>				
(1)	<b>Non-current liabilities</b>				
(a)	Financial liabilities				
	- Borrowings	16	280.46	518.90	646.36
(b)	Provisions	17	46.73	42.80	37.51
(c)	Deferred tax liabilities (net)	30	49.04	37.99	24.77
(d)	Other non-current liabilities	18	3.52	2.25	3.09
	<b>Total non-current liabilities</b>		<b>379.74</b>	<b>601.95</b>	<b>711.73</b>
(3)	<b>Current liabilities</b>				
(a)	Financial liabilities				
	(i) Borrowings	16	1,471.54	1,417.10	1,397.54
	(ii) Trade payables	19			
	-total outstanding dues of micro and small enterprises		33.76	30.93	23.75
	-total outstanding dues of creditors other than micro and small enterprises		795.72	670.18	435.88
	(iii) other financial liability	20	222.50	225.95	223.06
(b)	Other current liabilities	21	69.19	64.39	95.33
(c)	Provisions	17	78.76	54.65	40.79
	<b>Total current liabilities</b>		<b>2,671.48</b>	<b>2,463.20</b>	<b>2,216.35</b>
	<b>Total liabilities</b>		<b>3,051.22</b>	<b>3,065.15</b>	<b>2,928.08</b>
	<b>Total equity and liabilities</b>		<b>4,864.27</b>	<b>4,706.60</b>	<b>4,432.42</b>

The above Annexure should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Audited Financial Information appearing in Annexure VI and Statement of Adjustments to the Audited Financial Information appearing in Annexure VII.

As per our report of even date attached.

For J MANDAL & CO LLP  
Chartered Accountants  
FRN 302100E/N500422

*Jushp*  
(CA PUSHIP GARG)

Partner  
M No. 573222

Place: Panchkula

Date: 30.08.2025

UDIN: 25573222BOERIF4089



For and on behalf of Board of Directors of  
T.C. TERRYTEX LIMITED

*A*  
AKHIL SATIA  
(MANAGING DIRECTOR)  
DIN - 01138038

Place: Sarsini

*S.H.*  
SUNIL KAURA  
(DIRECTOR)  
DIN - 05126396

*Rajiv Chopra*  
RAJIV CHOPRA  
(CFO)

*Tanvi Mahendru*  
TANVI  
MAHENDRU  
(CS)

**T.C TERRYTEX LIMITED**  
**Annexure II- Audited Statement of Profit and Loss**  
*(Amount in INR millions, except for share data unless otherwise stated)*

Particulars	Notes	As on 31 March 2025	As on 31 March 2024	As on 31 March 2023
<b>I Revenue from operations</b>				
<b>II Other income</b>	22	6,734.80	6,544.22	5,441.31
<b>III Total income (I + II)</b>	23	6.08	27.50	3.94
<b>IV Expenses</b>		<b>6,740.88</b>	<b>6,571.72</b>	<b>5,445.25</b>
Cost of materials consumed	24	4,622.01	4,595.92	3,642.25
Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	(101.29)	(41.99)	(18.96)
Employee benefits expense	26	440.55	381.97	356.13
Finance costs	27	246.32	242.14	248.17
Depreciation and amortization expense	28	119.81	110.82	108.40
Other expenses	29	1,183.13	1,104.87	1,009.53
<b>Total expenses (IV)</b>		<b>6,510.52</b>	<b>6,393.72</b>	<b>5,345.52</b>
<b>V Profit before tax (III-IV)</b>		<b>230.36</b>	<b>178.00</b>	<b>99.73</b>
<b>VI Tax expense:</b>				
(i) Current tax (previuous year)	30	13.26	1.69	0.58
(ii) Current tax		62.37	42.09	30.79
(ii) Deferred tax charge		(15.28)	(0.18)	(21.91)
(iv) MAT Credit		-	-	-
<b>Total tax expense</b>		<b>60.34</b>	<b>43.60</b>	<b>9.45</b>
<b>VII Profit for the period/year (V-VI)</b>		<b>170.01</b>	<b>134.40</b>	<b>90.28</b>
<b>VIII Other comprehensive income/(loss)</b>				
<i>Items that will not be reclassified to profit or loss</i>				
Remeasurement of defined benefit obligation		1.59	2.72	3.73
(ii) Net change in fair value of equity instruments through other comprehensive income				
Income tax related to net change in fair value of equity instruments through other comprehensive income				
<i>Items that will be reclassified to profit or loss</i>				
(i) Exchange differences on translating the financial statements of a foreign operation		0.00	0.00	0.00
Income tax relating to translating the financial statements of a foreign operation				
(i) Net change in fair value of equity instruments through other comprehensive income (FVOCI)				
Income tax relating to net change in fair value of equity instruments through other comprehensive income				
<b>Total other comprehensive (loss)/income for the period/year</b>		<b>1.59</b>	<b>2.72</b>	<b>3.73</b>
<b>IX Total comprehensive income for the period/year (VII+VIII)</b>		<b>171.60</b>	<b>137.11</b>	<b>94.00</b>
<b>Earnings per equity share</b>				
Basic and diluted [nominal value of INR 10 per share]	31	1.31	1.04	0.70

The above Annexure should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Audited Financial Information appearing in Annexure VI and Statement of Adjustments to the Audited Financial information appearing in Annexure VII.

As per our report of even date attached.

For J MANDAL & CO LLP

Chartered Accountants

FRN 302100E/N50042

(CA PUSHY GARG)

Partner

M No. 573222



Place: Panchkula

Date: 30.08.2025

UDIN: 25573222BOERIF4089

For and on behalf of Board of Directors of

T.C TERRYTEX LIMITED

AKHIL SATIA  
(MANAGING DIRECTOR)  
DIN - 01138038

SUNIL KAURA  
(DIRECTOR)  
DIN - 05126396

RAJIV CHOPRA  
(CFO)

TANVI MAHENDRU  
(CS)

Place: Sarsini

T.C TERRYTEX LIMITED  
Annexure III-Audited Statement of Cash Flows

Particulars	As at	As at	As at
	31 March 2025	31 March 2024	31 March 2023
<b>A Cash flows from operating activities</b>			
Profit for the year	230.36	178.00	99.73
Adjustments for:			
Depreciation and amortization expense	119.81	110.82	108.40
Foreign Exchange Fluctuation (Gain)	(19.62)	(9.05)	(26.85)
Fair valuation gain on mutual fund	(1.41)	(1.12)	(0.04)
Provision for Gratuity and LWV	1.59	2.72	3.73
Hedging gain	2.76	0.34	1.26
Finance costs	239.26	236.23	245.65
Interest income	(7.42)	(6.23)	(4.71)
Operating cash flows before working capital changes	565.32	511.70	427.18
Working capital adjustments			
(Increase)/decrease in inventories			
(Increase) / decrease in trade receivables	(129.28)	(76.94)	(9.17)
Increase/(decrease) in trade payables	(16.24)	(53.42)	(25.21)
Decrease / (increase) in other financial assets	128.37	241.48	(30.83)
(Increase) / decrease in Current Tax Asset (Net)	(3.26)	(0.16)	0.85
(Increase) / decrease in other current assets	(28.09)	(62.49)	79.51
Increase / (decrease) in other current liabilities	55.44	(13.79)	(63.11)
Increase / (decrease) in other financial liabilities	4.80	(30.94)	31.36
Increase / (decrease) in provisions	(3.45)	2.89	(10.75)
Cash generated from operating activities	28.04	19.15	23.37
Income tax paid (net)	601.64	537.48	423.20
Net cash generated from operating activities (A)	49.30	30.38	30.79
<b>B Cash flows from investing activities</b>			
Purchase of property, plant and equipment and intangible assets			
Capital advance to suppliers towards WIP	(41.40)	(320.40)	(80.99)
Investment in bonds & mutual funds	30.17	142.93	(17.70)
Investment in Fixed Deposits	(0.50)	1.46	(2.20)
Interest income	7.33	(8.16)	9.72
Net cash (used in) investing activities (B)	7.42	6.23	4.71
<b>C Cash flows from financing activities</b>			
Interest paid			
Foreign Exchange Fluctuation (Gain)	(239.26)	(236.23)	(245.65)
Change in Other Non Current Liabilities	19.62	9.05	26.85
Proceeds/(Repayment) of borrowings	1.27	(0.84)	(6.69)
Issue of Equity	(184.00)	(107.90)	(93.43)
Net cash (used in) financing activities (C)	(402.37)	(335.92)	(318.92)
Net increase in cash and cash equivalents (A+B+C)	152.98	(6.75)	(12.95)
Cash and cash equivalents acquired			
- on acquisition of business on account of slump sale *			
- on acquisition of subsidiary **			
Opening Cash and cash equivalents	34.29	41.04	53.99
Closing Cash and cash equivalents	187.27	34.29	41.04

Notes:

1. Components of cash and cash equivalents

Cash on hand			
Cheque on hand	0.26	4.69	4.33
Balances with banks - in current accounts			
	187.01	29.60	36.71
	187.27	34.29	41.04

2. The above cash flow statement has been prepared under the indirect method set out in the applicable Indian Accounting Standard (Ind AS) 7 on "Statement of Cash Flows".

3. For reconciliation of movements of liabilities to cash flows arising from financing activities refer note 4(c) for lease liabilities and 18(E) for borrowings.

The above annexure should be read with the Basis of Preparation and Significant Accounting Policies appearing in annexure V, notes to the Audited Financial Information appearing in annexure VI and Statement on Adjustments to Audited Financial Information appearing in Annexure VII.

As per our report of even date attached

For J MANDAL & CO LLP  
Chartered Accountants  
FRN 302100E/N500422

(CA) PUSHP GARG  
Partner  
M.No. 573222



For & Behalf of the Board of Directors of  
T.C TERRYTEX LIMITED

AKHIL SATIA  
(MANAGING DIRECTOR)  
DIN -01138038

SUNIL KAURA  
(DIRECTOR)  
DIN - 05126396

RAJIV CHOPRA  
(CFO)

TANVI MAHENDRU  
(CS)

Place: Panchkula  
Date: 30.08.2025  
UDIN: 25573222BOERIF4089

**T.C TERRYTEX LIMITED**  
**Annexure IV-Audited Statement of Changes in Equity**  
*(Amount in INR millions, except for share data unless otherwise stated)*

**A Equity share capital**

Particulars	As at 31 March 2023	
	Number of shares	Amount
Balance at the beginning of the reporting period / year	12,93,18,280	1,293.18
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the reporting period/year	12,93,18,280	1,293.18
Changes in equity share capital during the current period/year		
Balance at the end of the reporting period / year	12,93,18,280.00	1,293.18

  

Particulars	As at 31 March 2024	
	Number of shares	Amount
Balance at the beginning of the reporting period / year	12,93,18,280	1,293.18
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the reporting period/year	12,93,18,280	1,293.18
Changes in equity share capital during the current period/year		
Balance at the end of the reporting period / year	12,93,18,280.00	1,293.18

  

Particulars	As at 31 March 2025	
	Number of shares	Amount
Balance at the beginning of the reporting period / year	12,93,18,280	1,293.18
Changes in equity share capital due to prior period errors	-	-
Restated balance at the beginning of the reporting period/year	12,93,18,280	1,293.18
Changes in equity share capital during the current period/year		
Balance at the end of the reporting period / year	12,93,18,280.00	1,293.18

**B Other equity (refer note 15)**

Particulars	Capital reserve	Reserves and surplus Retained earnings	Total
Balance as at 1 April 2022	-	-	-
Total comprehensive income for the year	-	117.15	117.15
Add : Profit for the period	-	-	-
Add : Other comprehensive (loss) (net of tax) for the period	-	90.28	90.28
Total comprehensive income for the period	-	3.73	3.73
Balance as at 31 March 2023	-	94.00	94.00
Balance as at 1 April 2023	-	211.16	211.16
Total comprehensive income for the year	-	211.16	211.16
Add : Profit for the period	-	-	-
Add : Other comprehensive (loss) (net of tax) for the period	-	134.40	134.40
Total comprehensive income for the period	-	2.72	2.72
Balance as at 31 March 2024	-	137.11	137.11
Balance as at 1 April 2024	-	348.27	348.27
Total comprehensive income for the year	-	348.27	348.27
Add : Profit for the period	-	-	-
Add : Other comprehensive (loss) (net of tax) for the period	-	170.01	170.01
Total comprehensive income for the period	-	1.59	1.59
Balance as at 31 March 2025	-	171.60	171.60
	-	519.87	519.87

The above Annexure should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure V, Notes to the Audited Financial Information appearing in Annexure VI and Statement of Adjustments to the Audited Financial information appearing in Annexure VII.

As per our report of even date attached

For J MANDAL & CO LLP  
 Chartered Accountants  
 FRN 302100E/NS00422

(CA PUSHP GARG)  
 Partner  
 M No. 573222



For and on behalf of Board of Directors of  
 T.C TERRYTEX LIMITED

AKHIL SATIA  
 (MANAGING DIRECTOR)  
 DIN - 01138038

SUNIL KAURA  
 (DIRECTOR)  
 DIN - 05126396

RAJIV CHOPRA  
 (CFO)

TANVI MAHENDRU  
 (CS)

Place: Sarsini

Place: Panckula  
 Date: 30.08.2025  
 UDIN: 25573222BOERIF4089

Gross carrying amount

Particulars	Freehold	Building	Plant and Lab	Electrical	Vehicles	Furniture	Office	Computer	Total	Building	Capital
Balance as at 01 April 2022	89.92	312.76	638.87	2.90	19.41	3.93	0.24	1.19	1,069.23	17.65	110.15
Additions	-	17.56	64.15	-	6.43	-	-	0.05	88.19	38.88	58.98
Acquisition of business on account of slump sale	-	-	(3.65)	-	(9.02)	-	-	-	(12.67)	(13.54)	(41.56)
Disposals	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2023	89.92	330.32	699.37	2.90	16.81	3.93	0.24	1.24	1,144.74	42.99	127.77
Additions	89.92	330.32	699.37	2.90	16.81	3.93	0.24	1.24	1,144.74	42.99	127.77
Acquisition of business on account of slump sale	-	55.61	247.19	-	18.19	-	-	0.23	321.22	9.48	85.75
Disposals	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2024	89.92	385.93	946.56	2.90	33.23	3.93	0.24	1.47	1,464.19	(52.47)	(182.51)
Additions	89.92	385.93	946.56	2.90	33.23	3.93	0.24	1.47	1,464.19	-	31.01
Acquisition of business on account of slump sale	-	19.68	42.93	-	1.13	-	-	-	63.75	-	-
Disposals	-	-	(22.34)	-	-	-	-	-	(22.34)	-	-
Balance as at 31 March 2025	89.92	405.61	967.15	2.90	34.36	3.93	0.24	1.47	1,505.59	-	-
<b>Accumulated depreciation</b>											
Balance as at 31 March 2022	-	150.70	1,449.15	40.42	9.69	11.14	1.69	11.18	1,673.98	-	-
Balance as at 01 April 2022	-	150.70	1,449.15	40.42	9.69	11.14	1.69	11.18	1,673.98	-	-
Depreciation for the year	-	14.75	88.33	0.48	3.16	1.33	0.04	0.32	108.40	-	-
Acquisition of business on account of slump sale	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(5.48)	-	-	-	(5.48)	-	-
Balance as at 31 March 2023	-	14.75	88.33	0.48	(2.32)	1.33	0.04	0.32	102.92	-	-
Balance as at 01 April 2023	-	14.75	88.33	0.48	(2.32)	1.33	0.04	0.32	102.92	-	-
Depreciation for the year	-	15.18	90.47	0.48	3.97	0.37	0.03	0.32	110.82	-	-
Acquisition of business on account of slump sale	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(0.95)	-	-	-	(0.95)	-	-
Balance as at 31 March 2024	-	29.92	178.80	0.96	0.70	1.70	0.07	0.63	212.79	-	-
Balance as at 01 April 2024	-	29.92	178.80	0.96	0.70	1.70	0.07	0.63	212.79	-	-
Depreciation for the year	-	16.91	96.31	0.48	5.65	0.33	0.03	0.10	119.8	-	-
Acquisition of business on account of slump sale	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2025	-	46.83	275.11	1.44	6.35	2.03	0.10	0.73	332.59	-	-
<b>Carrying amounts (net)</b>											
As at 31 March 2023	89.92	315.58	611.04	2.42	19.13	2.60	0.20	0.92	1,041.82	42.99	127.77
As at 31 March 2024	89.92	356.01	767.76	1.94	32.53	2.23	0.17	0.84	1,251.40	-	-
As at 31 March 2025	89.92	358.78	692.04	1.47	28.01	1.90	0.14	0.74	1,173.00	-	31.01
# Represents capital work in progress capitalised during the respective period/years.											

Depreciation on Property, Plant, and Equipment (PPE) is provided on the Written Down Value (WDV) Method over the useful life of the asset as specified in Schedule II to the Companies Act, 2013. In determining the depreciable value of the assets, the Group has retained the residual value at 5% of the capitalized value of the assets. The useful life of the assets is as tabulated below:

Category	Useful life
Buildings	30 Years
Plant & Machinery	15 Years
Electrical Equipment	10 Years
Vehicles	10 Years
Furniture & Fixtures	10 Years
Office Equipment	5 Years

Notes:

- The Group has elected Ind AS 101 exemption to continue with the carrying value for all of its property, plant and equipment at deemed cost as at the date of transition.
- Refer note 18 for information on property, plant and equipment pledged as security by the Company.
- Refer note 42(b) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- The Company does not have any Immovable Property whose title deeds are not held in the name of the Company.
- The Company has also taken certain premises Flat no 602 6th Floor at Kailash Building 26 K.G. Marg., New Delhi - 110001 (used as guest house) and first floor of house no C-47 Neer Bagh, New Delhi lease with contract terms within one year. These leases are short-term. The Company has elected not to recognize right-of-use-assets and lease liabilities for these leases. The expenses relating to short-term leases for which the recognition exemption has been applied have been charged to the Statement of Profit and Loss.



**T.C TERRYTEX LIMITED****Annexure VI-Notes to Audited Financial Information***(Amount in INR millions, except for share data unless otherwise stated)*

f. The Company has capitalized the following expenses to the cost of property, plant and equipment / capital work-in-progress (CWIP). Consequently, expenses disclosed under the respective notes are net of these amounts:

Particulars	As at	As at	As at
	31 March 2025	31 March 2024	31 March 2023
Employee benefits expense	-	14.45	-
Finance costs	-	16.51	-
Other expenses	-	-	-
<b>Total</b>	-	<b>30.96</b>	-

g. Capital work in progress (CWIP) ageing schedule:

Particulars	Amount in CWIP for a period of				Total
	<1 year	1-2 years	2-3 years	> 3 years	
Projects in progress as at 31 March 2023	97.86	72.90	-	-	170.76
Projects in progress as at 31 March 2024	31.01	-	-	-	31.01
Projects in progress as at 31 March 2025	-	-	-	-	-

Note:

a. There are no intangible assets owned by the company



**T.C TERRYTEX LIMITED**  
**Annexure VI-Notes to Audited Financial Information**  
*(Amount in INR millions, except for share data unless otherwise stated)*

**Note 4: Investments**

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<b>Non-current investments</b>			
<b>Investments in Mutual Funds</b>			
UBI KBC Mutual Funds	12.72	11.27	11.98
Union Corporate Bond Fund	6.04	5.58	5.21
<i>The Company classifies its investments at Fair Value through Profit or Loss (FVTPL)</i>			
	<b>18.76</b>	<b>16.84</b>	<b>17.19</b>

**Note 5 - Other non-current financial asset**  
*(unsecured considered good, unless otherwise stated)*

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Security deposit			
Balance with banks-deposits accounts with original maturity more than 12 months #	23.71	23.85	23.85
	56.88	64.07	55.91
	<b>80.59</b>	<b>87.92</b>	<b>79.76</b>

# The above mentioned deposit has been made with State Bank of Ludhiana against the land worth Rs. 23.2 Crores

**Break-up of security details**

Security deposit considered good - unsecured\*

<b>Total</b>	23.71	23.85	23.85
	<b>23.71</b>	<b>23.85</b>	<b>23.85</b>

Security Deposits pertains to security deposited with the Punjab State Electricity Board (now Punjab State Power Corporation Ltd. ) amounting 22.57 millions, deposits against service tax appeals amounting 0.73 million, deposits with pollution control board amounting 0.1 million and other deposits which are not contractual deposits but the statutory deposits.

**Note 6 - Other non-current assets**

*(unsecured considered good, unless otherwise stated)*

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Capital Advances	42.74	43.40	46.59
PRE IPO EXPENSE	1.50		
	<b>44.24</b>	<b>43.40</b>	<b>46.58</b>



Note 7 - Inventories

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Raw materials			
Stores and spares	418.98	387.01	368.53
Dyes & Chemicals	9.61	12.70	9.84
Scrap Stock	68.51	71.53	64.61
Husk	6.21	1.24	1.29
Work-in-progress	16.83	16.10	14.10
Finished goods	516.39	470.51	472.31
Waste stock	794.29	735.32	691.88
Packing material	-	3.56	3.21
	30.50	34.07	29.33
	<u>1,861.32</u>	<u>1,732.04</u>	<u>1,655.10</u>

- Inventories are carried at the lower of cost or net realisable value and includes goods-in-transit.  
- The cost of inventory is determined using Weighted average cost and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.  
- Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Note 8 - Trade receivables  
(unsecured considered good, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Trade receivables	1,102.07	1,085.64	1,032.04
Less: Provision for doubtful debt	0.42	0.23	0.05
	<u>1,101.65</u>	<u>1,085.41</u>	<u>1,031.99</u>

Break-up:

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Trade receivables considered good - secured			
Trade receivables considered good - unsecured	1,102.07	1,085.41	1,031.99
Trade receivables which have significant increase in credit risk			
Trade receivables - credit impaired			
	<u>1,102.07</u>	<u>1,085.41</u>	<u>1,031.99</u>
Less: expected credit loss allowance			
- Trade receivables considered good - secured			
- Trade receivables considered good - unsecured			
- Trade receivables which have significant increase in credit risk			
- Trade receivables - credit impaired			
Total trade receivables	<u>1,102.07</u>	<u>1,085.41</u>	<u>1,031.99</u>

Movement in Provision for doubtful debt

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the period/year	0.23	0.05	0.17
Additions during the year	0.19	0.18	-0.12
Balance at the end of the year	<u>0.42</u>	<u>0.23</u>	<u>0.05</u>

Trade receivable aging:

	Unbilled revenue	Not Due	Outstanding for following periods from due date of payment					Gross trade receivables	Provision	Net trade receivables
			< 6 months	6 months to 1 year	1 year to 2 years	2 year to 3 years	> 3 years			
<b>As at 31 March 2023</b>										
Undisputed trade receivable - considered good	-	-	1,026.84	5.15	0.05	-	-	1,032.04	0.05	1,031.99
Undisputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-	-	-
Undisputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Total	-	-	<u>1,026.84</u>	<u>5.15</u>	<u>0.05</u>	-	-	<u>1,032.04</u>	<u>0.05</u>	<u>1,031.99</u>
<b>As at 31 March 2024</b>										
Undisputed trade receivable - considered good	-	-	1,066.77	18.36	0.20	0.03	-	1,085.35	0.23	1,085.12
Undisputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-	-	-
Undisputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Total	-	-	<u>1,066.77</u>	<u>18.36</u>	<u>0.20</u>	<u>0.03</u>	-	<u>1,085.35</u>	<u>0.23</u>	<u>1,085.12</u>
<b>As at 31 March 2025</b>										
Undisputed trade receivable - considered good	-	-	1,084.72	16.94	0.36	0.06	-	1,102.07	0.42	1,101.66
Undisputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-	-	-
Undisputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered good	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - considered doubtful	-	-	-	-	-	-	-	-	-	-
Disputed trade receivable - credit impaired	-	-	-	-	-	-	-	-	-	-
Total	-	-	<u>1,084.72</u>	<u>16.94</u>	<u>0.36</u>	<u>0.06</u>	-	<u>1,102.07</u>	<u>0.42</u>	<u>1,101.66</u>



**Note 9 - Cash and cash equivalents**

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Balances with bank:			
- In current accounts			
Cheques in hand	0.26	3.12	17.39
Cash in hand			
	7.85	4.69	4.33
	<u>8.11</u>	<u>7.81</u>	<u>21.72</u>

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

Balances with bank - In current accounts	0.26	3.12	17.39
Cheques in hand			
Cash in hand			
	7.85	4.69	4.33
	<u>8.11</u>	<u>7.81</u>	<u>21.72</u>

**Note 10 - Bank Balance other than above**

Bank deposits with original maturity of more than three months but less than twelve months #

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
	179.16	26.48	19.32
	<u>179.16</u>	<u>26.48</u>	<u>19.32</u>

**Note 11 - Other current financial assets**

Unrealized Foreign Currency Gain (against Hedged Assets)  
 Loan to employees

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
	1.03	1.03	1.37
	1.58	1.08	0.92
	<u>2.61</u>	<u>2.11</u>	<u>2.29</u>

**Note 12 - Current Tax Asset (net)**

TDS Receivable  
 GST Receivable

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
	5.24	5.12	5.05
	134.64	106.67	44.25
	<u>139.88</u>	<u>111.79</u>	<u>49.30</u>

**Note 13 - Other current assets**

Balances with government authorities  
 Prepaid insurance  
 Prepaid expenses \*#  
 Advance to employees  
 Advance to supplier

	113.03	158.12	135.52
	0.35	0.25	7.03
	5.17	9.13	46.03
	1.38	0.45	0.70
	<u>135.01</u>	<u>142.44</u>	<u>107.32</u>
	<u>254.95</u>	<u>310.39</u>	<u>296.60</u>



**Note 14 - Equity share capital**

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<b>Authorized</b>			
130,500,000 Equity Shares of Rs. 10/- each	1,305.00	1,305.00	1,305.00
<b>Issued, subscribed and paid-up</b>	<b>1,305.00</b>	<b>1,305.00</b>	<b>1,305.00</b>
12,93,18,280 Equity Shares	1,293.18	1,293.18	1,293.2
	<b>1,293.18</b>	<b>1,293.18</b>	<b>1,293.18</b>

**a) Rights, preferences and restrictions attached to equity shares**

As per the memorandum of association, the Company's authorized share capital consist of equity shares & Preference Shares. All equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. Shareholders are entitled to one vote per equity share held in the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

**b) Reconciliation of the number of equity shares outstanding at the beginning and end of the reporting period/year:**

	As at 31 March 2025		As at 31 March 2024		As at 31 March 2023	
	No. of shares	Amount	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the period/year	129.32	1,293.18	129.32	1,293.18	129.32	1,293.18
Shares allotted during the year						
Balance at the end of the period/year	129.32	1,293.18	129.32	1,293.18	129.32	1,293.18

**c) Details of shareholders holding more than 5 percent equity shares in the Group:**

	As at 31 March 2025		As at 31 March 2024		As at 31 March 2023	
	No. of shares	% holding in the class	No. of shares	% holding in the class	No. of shares	% holding in the class
Mr. Akhil Satia	7,08,56,130	54.79	7,31,06,130	56.53	7,61,06,130	58.85
Shiv Parivar Trust	4,97,70,400	38.49	4,97,70,400	38.49	4,97,70,400	38.49
M/s Ashis Living Pvt. Ltd.	67,50,000	5.22	55,00,000	4.25	25,00,000	1.93

**d) Promoter Shareholding**

Promoters Name	As at 31 March 2025		As at 31 March 2024		As at 31 March 2023	
	No. of shares	% holding in the class	No. of shares	% holding in the class	No. of shares	% holding in the class
Mr. Akhil Satia	7,08,56,130	54.79	7,31,06,130	56.53	7,61,06,130	58.85
Shiv Parivar Trust	4,97,70,400	38.49	4,97,70,400	38.49	4,97,70,400	38.49

**Note 15 - Other equity**

**a) Retained earnings**

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the period/year			
Add: Profit for the period / year	348.27	211.16	117.15
Add: Other comprehensive (loss)/income for the period/year	170.01	134.40	90.28
- remeasurement of defined benefit plans, net of tax			
Balance at the end of the period/year	519.87	348.27	211.16
<b>Total</b>	<b>519.87</b>	<b>348.27</b>	<b>211.16</b>

**Nature of reserves:**

a. **Retained earnings:** Retained earnings are the profits that the Company has earned till date, less any dividends or other distributions paid to shareholders.



Note 16 - Borrowings

A. Non-current borrowings

Secured:  
 From banks  
 Term Loan  
 Total secured borrowings (excluding current maturities)  
 Unsecured:  
 From Deposits  
 From Others

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Total secured borrowings (excluding current maturities)	277.49	518.64	645.72
Unsecured:	277.49	518.64	645.72
From Deposits	2.76	-	-
From Others	274.73	518.64	645.72
Total non-current borrowings	280.46	518.90	646.36

Nature of facility	Bank Name	Rate of Interest % (per annum)	Repayment terms	Currency	Security	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Term Loan	SBI (INDIAN) BANK	8.20% p.a	First 21 monthly installments of Rs 4.20 lacs each starting from October 2019. Next 71 monthly installments of Rs 8.50 lacs	INR	As per Note No. 4	13.28	25.82	36.87
Term Loan	ALLAHABAD BANK	3 Years MCLR + 4.10% (Present 3 years MCLR - 8.70%)	First 21 monthly installments of Rs 4.03 lacs each starting from October 2019. Next 72 monthly installments of Rs 19.66 lacs	INR	As per Note No. 1	39.45	62.24	84.67
Term Loan*	Union Bank of India	3 Month MCLR - 0.15%	First 21 monthly installments of Rs 3.93 lacs each starting from October 2019. Next 72 monthly installments of Rs 19.93 lacs	INR	As per Note No. 6	16.30	68.81	85.09
Term Loan*	Punjab National Bank	1 Month MCLR - 0.25%	First 21 monthly installments of Rs 4.84 lacs each starting from October 2019. Next 72 monthly installments of Rs 23.58 lacs	INR	As per Note No. 3	44.11	67.83	93.93
GECL-1	Union Bank of India	1 Year MCLR + 0.60% subject to maximum 9.25%	48 monthly installments of Rs 16.39 lacs each starting from April 2022	INR	As per Note No. 6	0	24.41	42.11
GECL-1	State Bank of India	6 month MCLR + 1.00% + 7.95%	48 monthly installments of Rs 25.00 lacs each starting from July 2022	INR	As per Note No. 5	0	27.29	57.47
GECL-1	Punjab National Bank	1 Year MCLR + 1.00% subject to maximum 9.25%	48 monthly installments of Rs 10.21 lacs each starting from July 2022	INR	As per Note No. 3	1.02	19.19	25.52
GECL-1	Indian Overseas Bank	1 Year MCLR + 0.45% subject to maximum 9.25%	48 monthly installments of Rs 8.23 lacs each starting from July 2022	INR	As per Note No. 2	2.46	12.34	22.22
GECL-1	South Indian Bank	MCLR + 1.00% + 9.25%	48 monthly installments of Rs 8.33 lacs each starting from July 2022	INR	As per Note No. 4	0.85	12.18	22.50
GECL-2	Punjab National Bank	1 Year MCLR + 1.00% subject to maximum 9.25%	48 monthly installments of Rs 5.10 lacs each starting from December 2023	INR	As per Note No. 3	10.72	10.72	22.46
GECL-2	State Bank of India	6 month MCLR + 1.00% + 9.30%	48 monthly installments of Rs 5.10 lacs each starting from December 2023	INR	As per Note No. 5	42.31	57.60	30.00
GECL-2	Indian Overseas Bank	1 Year MCLR + 0.45% subject to maximum 9.25%	48 monthly installments of Rs 4.11 lacs each starting from April 2024	INR	As per Note No. 2	6.12	19.20	19.75
GECL-2	Union Bank of India	1 Year MCLR + 0.60% subject to maximum 9.25%	48 monthly installments of Rs 8.25 lacs each starting from September 2024	INR	As per Note No. 6	19.80	36.30	39.60
GECL-2	South Indian Bank	MCLR + 1.00% + 9.25%	48 monthly installments of Rs 4.17 lacs each starting from March 2025	INR	As per Note No. 4	14.80	17.44	20.00
Vehicle Loan	HDFC BANK	7.65% p.a	36 monthly installments of Rs 21979 - each starting from December 2021	INR	Hyp of Car	-	-	0.16
Vehicle Loan	Union Bank of India -Eriga	7.40% p.a	36 monthly installments of Rs 18637 - each starting from February 2022 to January-2025	INR	Hyp of Car	-	0.02	0.19
Vehicle Loan	Union Bank of India -Audi	9.35% p.a	36 monthly installments of Rs 14383 - each starting from February 2023 to January-2026	INR	Hyp of Car	-	1.39	2.90
Vehicle Loan	HDFC Bank BMW	8.65% p.a	60 monthly installments of Rs 26765 - each starting from March 2024 to February-2029	INR	Hyp of Car	8.25	10.64	-
Vehicle Loan	Union Bank of India HOLERO	8.80% p.a	36 monthly installments of Rs 15833 - each starting from January-2024 to December-2026	INR	Hyp of Car	0.14	0.31	-
Vehicle Loan	Union Bank of India Honda Amaze	8.85% p.a	36 monthly installments of Rs 15865 - each starting from Dec 2023 to Nov-2026	INR	Hyp of Car	0.12	0.29	-
Business Loan	IBH - Home Finance	10.5% p.a	63 monthly installments of Rs 1466874 - each starting from January 2019	INR	unsecured	-	-	17.23
Business Loan	Mahindra & Mahindra Financial Services Ltd.	10.5% p.a	60 monthly installments of Rs 1158725 - each starting from January 2024	INR	Machinery	33.56	43.71	-
Term Loan	Union Bank of India	7.00% p.a	36 monthly installments starting from February April 2022	INR	Fixed Deposit	-	-	-
Vehicle Loan	ICICI BANK-NEW	Rate of interest 8%*(per annum)	60 monthly installments of Rs 182166 - each starting from August-2020 to July-2025	INR	Hyp of Car	-	0.72	2.76

Borrowings - Measurement Basis

The Company's borrowings have been measured at the transaction value and not using the Effective Interest Rate (EIR) method as prescribed under Ind AS 109, since the processing charges and transaction costs incurred were immaterial. In applying Ind AS 1, the Company considered the materiality of paragraph 7 and concluded that the omission of amortisation of such insignificant costs does not influence the economic decisions of users of the financial statements. Further, in line with paragraph 30A, the Company has assessed the relevant circumstances and conditions of its borrowings to the extent necessary for users to understand their nature and financial impact, and determined that the immaterial charges do not affect this understanding. The classification and measurement approach also reflects the Company's judgement as required by paragraph 31 of Ind AS 1, which states that the application of the EIR method in this context would not result in a materially different outcome and is therefore not warranted. Accordingly, the borrowings have been presented at the gross amount of the transaction.



B. Current borrowings

Notes	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
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Secured

From Banks

Cash credit limit & Overdraft

Term loan - current maturities of non-current borrowings

(f)

1,245.39 1,220.16 1,215.72  
226.15 196.94 181.82

1,471.54 1,417.10 1,397.54

Nature of facility	Bank Name	Rate of Interest % (per annum)	Currency	Security	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
CC Limit	State Bank of India	6 Month MCLR + 2.75%	INR	As per Note No. 5	171.5	146.77	562.88
CC Limit	Union Bank of India	1 year MCLR + 3.50%	INR	As per Note No. 6	51.96	231.89	256.60
EPC Limit	Union Bank of India	1 year MCLR + 1.15%	INR	As per Note No. 6	203.01	35.00	-
CC Limit	Indigen Overseas Bank	1 Month MCLR + 0.20% + 3.90%	INR	As per Note No. 2	170.28	168.38	194.29
CC Limit	Allahabad Bank	1 Month MCLR + 2.75%	INR	As per Note No. 1	67.27	68.96	30.68
CC Limit	Punjab National Bank	1 Month MCLR + 3.50%	INR	As per Note No. 3	39.38	38.05	34.32
CC Limit	South Indian Bank	1 Month MCLR + 1.90%	INR	As per Note No. 4	136.46	129.52	136.94
EPC Limit	State Bank of India	6 Month MCLR + 0.55%	INR	As per Note No. 5	406.07	402.08	-

Foreign currency borrowings are measured at fair value based on the forward contract rates, in line with the hedge accounting treatment applied. The corresponding gain or loss on the hedging instruments has been recognized in the Statement of Profit and Loss

Notes 1

Primary Security

For Working Capital (FB & NFB Limits)

1st Pari Passu Charge along with other consortium member banks on present & future value of entire current assets of the company.

For Term Loan

- 1st Pari Passu charge on entire fixed assets of the company present & future along with other term loan lenders.
- 1st Pari Passu charge on factory land & building of the company situated at Village Sarsim, Ludhiana District, Punjab consisting of:
  - Land measuring 25 Bighas 09 Biswas comprised as per title deed no 8718 dated 24.03.2008
  - Land measuring 32 Bighas 07 Biswas comprised as per title deed no 8719 dated 24.03.2008
  - Land measuring 5 Bighas 11 Biswas comprised as per title deed no 8745 dated 25.03.2008

Collateral - For both working Capital & Term Loan

1st Pari Passu charge on present & future value of entire fixed assets of the company on reciprocal basis for Working Capital limit

1st Pari Passu charge on present & future value of entire fixed assets of the company on reciprocal basis for Working Capital limit

Equitable mortgage of freehold land measuring 288 kanal 3 Marla situated at village Lubanwali Muktsar comprising of:

- 242 Kanal 2 Marla standing in the name of Sant Saloni Satia Vide Sale Deed No 504, 505, 1955, 1958, 3215, 3243, 3398, 4414 (FR dated 22.02.2022 & 10.02.2011)
- 36 Kanal 11 Marla Standing in the name of Sh. Anil Satia vide sale deed No 793 & 806
- 9 Kanal 10 Marla standing in the name of Sh. Anil Satia vide sale deed No. 479

Equitable mortgage of freehold land measuring 6 Kanal situated near Ramdharam Ashram, Muktsar standing in the name of Anil Satia vide sale deed no 1864 dated 09.09.2009

Equitable mortgage of land measuring 7 Bighas situated at Village Sarsim, Tehsil dera Hassi Distt. Mohali standing in the name of Akhil Satia vide sale deed no 598 dated 12.04.2012

Equitable mortgage of land measuring 3 Bighas 16 Biswas situated at Village Sarsim, Tehsil dera Hassi Distt. Mohali standing in the name of Akhil Satia vide sale deed no 12153 dated 20.11.2012

Commercial land of total area 31090 sq. yards in the name of TC Terrytes Ltd vide sale deed no. 8609 dated 28.01.2010.

Cash Collateral of Rs. 2.17 crore on 1st pari passu basis by way of lien on Bank deposits.

Note 2

Primary Security

Cash Credit: Hypothecation of entire current assets of the company (present & future charge) on Pari Passu 1st Charge basis with working capital lenders in the Consortium

Letter of Credit: 1st Charge on current assets of the company on pari passu basis with other consortium banks

WCTL - GECL: Second Pari Passu charge on all the existing securities mortgage hypothecated. Pledge to bank

WCTL - GECL, Extension: Second Pari Passu charge on all the existing securities mortgage hypothecated. Pledge to bank

Collateral Security details

1st Pari passu charge with all working capital lenders for CCPC/Bills/EC Limits & second Pari passu charge for WCTL-GECL on following securities:

Equitable mortgage of freehold agriculture land measuring 288 Kanal 3 Marla situated at village Lubanwali Muktsar comprising of:-

242 Kanal 02 Marla standing in the name of Sant Saloni Satia vide sale Deed no 504,505,1955,1958,3215,3243,3398 & 4414

46 Kanal 1 Marla Standing in the name of Sh. Anil Satia vide sale Deed No 379,793 & 806

Equitable mortgage of freehold agriculture land measuring 6 Kanal situated at Village Lubanwali Muktsar standing in the name of Sh. Anil Satia vide sales deed no 1864 dt 09.09.2009, situated at opp Sant Haba Gurmukh Singh School Barkhandi Road Tehsil and district Muktsar, Khewat No 509, Khatoni 893, Muzara No 309 katta No 22 (4+12) 23 (8+0)

Deposits in the name of Company kept with State Bank of India lender bank

1st Pari passu charge with all working capital lenders for CCPC/Bills/EC Limits & second Pari passu charge for WCTL-GECL on following securities:

Equitable Mortgage of Industrial land measuring 7 Bighas situated at Village Sarsim, Tehsil Dera Hassi, Distt. Mohali standing in the name of Sh. Anil Satia vide Sale Deed No 598 dated 12.04.2012

Equitable Mortgage of Industrial land of total area of 3140 sq yds situated at Village Sarsim, Near Bhadani Housers, Chandigarh to Ambala Road, Tehsil Derabassi District, SAS Nagar Mohali, Punjab having Khatas No 154-229, 211-342 & 345 Khawra Nos 1234 (3+14), 1235 (min 229+16), 1212 (min 2+8) & 1212 (min 0+11) in the name of Mr. Akhil Satia vide sale deed no 12153 dated 20.11.2012

Equitable Mortgage of Industrial land measuring 11-01-46 Bighas (31090 sq yds) and building constructed there upon situated at Village Sarsim, Ludhiana District, Punjab bearing Khatas no 154-227, Khawra no 1238 (4+10), 1239 (3+10), 1240 (2+6) Kite 3 to 10-06 bighas & khatas no 266-446 Khawra no 1230-2 (3-8), 1231 (3-3), 1232 (5-1), 1233 (4-8), 1239 (2-3-16), 1230 (3-8), 1231 (2-9-9) Kite 7 to 20-15-16 bighas in the name of Mr. TC Terrytes Ltd vide sale deed no 8609 dated 28.01.2010

Second Pari Passu charge on Plant & Machinery & other fixed assets (Present & Machinery) including factory land & building. First charge being held by Term Lenders

Equitable Mortgage of factory land & building of the owned by the company situated at village Sarsim, Ludhiana District, Mohali including

Land measuring 32 Bighas 7 Biswas comprised of sale Deed no 8719 dated 24.03.2008

Land measuring 25 Bighas 9 Biswas comprised of sale Deed no 8718 dated 24.03.2008

Land measuring 5 Bighas 11 Biswas comprised of sale Deed no 8745 dated 25.03.2008

2nd Pari Passu charge on Factory Plant & Machinery & other Fixed Assets (excluding Vehicle)

Note 3

Primary Security

1st Charge (Union Bank of India, South India Bank, Punjab National Bank, Indian Bank)

EM of IP situated at village Sarsim, Near Bhadani Dossery, Chandigarh, Ambala road Tehsil Derabassi Distt. SAS Nagar, Mohali registered

Collateral Security

1st Pari Passu Charge between all the Bank (SBI, IOB, Union Bank of India, Allahabad Bank, PNB, South Indian Bank & Andhra Bank) having Khewat No 442, 791, 486, 569, 724, 580, 486, 490, 467, 426, 580 by way of extension of EM of vacant under-tenanted No

1 Cultivable land situated at Vill. Lubanwali, Dist. Muktsar, State Punjab Pin Code 152026 Centre category: Semi Urban registered Vide TD No 1955, 505, 3215, 3243, 3398, 4414, 504, 1958, 793, 806, 379 in the name of Mr. Anil Satia & Mrs. Saloni Satia

1st Pari Passu Charge between all the Bank (SBI, IOB, Union Bank of India, Allahabad Bank, PNB, South Indian Bank & Andhra Bank) having Khewat No. 569, Khatoni No 893, by the way of extension of EM of property situated at opp Sant Haba Community No 309 katta No 22 (4+12) 23 (8+0)

1 EM of IP situated at Village Sarsim, Near Bhadani Housers, Chandigarh, Ambala road Tehsil Derabassi Distt. SAS Nagar, Mohali registered 598/12153 in name of Akhil Satia & 8609 in the name of TC Terrytes

4 Fixed Deposit lien with SBI - 2.17 Cr of TC Terrytes

5 112 to be deposited in substitution of Property 1 & 2 in Muktsar of Rs. 10.25 cr

Note 4

Primary Security

1st Pari Passu Charge along with other consortium lenders on entire current asset of the company, both present & future

1st Pari Passu Charge on all fixed assets of the company

WCTL - GECL - 1 & 2

1st Pari Passu Charge along with other consortium lenders on entire current asset of the company, both present & future



**Collateral Security**

1. EM of Industrial Property Owned by Mr. Akhil Satia & pari passu 1st Charge on sale Deed no 598, dated 12.04.2012, property situated at vill Sarini SAS Nagar Mohali 140501, admeasuring 7000sq Yards.
2. EM of Industrial Property Owned by Mr. Akhil Satia & pari passu 1st Charge on sale Deed no 12153, dated 20.11.2012, property situated at vill Sarini SAS Nagar Mohali 140501, admeasuring 1140 Sq Yards.
3. EM of Vacant Land Owned by Mrs Satona Satia & Anil Satia & pari passu 1st charge property bearing Sy. No 442,391,486,569,724,580,486,490,467,580 situated at Muktsar Lubanwala 152026, admeasuring 15905 Sq Ft.
4. EM of Vacant land of Mr. Anil Satia & pari passu 1st Charge on commercial plot at Haukhanb road opp Sam Baba Commukh registered vide sale deed no 1864 dated 09.09.2009, sy. Khewat no 369 khatom no 893 situated at Muktsar 140501, admeasuring 32670 Sq Ft.
5. EM of Industrial Property of M/s. TC Terrytex Ltd & pari passu 1st Charge on sale Deed no 8609, situated at vill Sarini SAS Nagar Mohali 16005, admeasuring 31090 Sq Yards.

**Notes 5**

Cash/Credit Letter of Credit  
GECI, 2.0 and GECI, 2.0 extension

**Primary Security**

Stock, Receivables and all other current assets of the company - Present as well as future  
Stock, Receivables and all other current assets of the company - Present as well as future

**Collateral Security**

Cash/Credit Letter of Credit

1st Pari Passu charge on Securities including immovable properties as per Table A below

GECI, 2.0 and GECI, 2.0 extension  
Cash Credit Letter of Credit GECI, 2.0 and GECI, 2.0 extension

2nd Charge on Securities as per Table A below

2nd Charge on all Fixed Asset (including Plant & Machinery), both present & future of the company including equitable mortgage of industrial property, registered vide sale deed Waska no 8718 dated 24.03.2008 & Waska No 8719 dated 24.03.2008, & Waska No 8745 dated 25.03.2008 in the name of TC Terrytex Ltd situated at village Sarini Dist SAS Nagar Mohali, Punjab

**Table A : Details of properties mortgaged (Equitable Mortgage)**

1. Land measuring 288 Kanal 3 Marla standing in the name of Smt. Safoni Satona & Sh. Anil Satia having following details:-
  - a) Land measuring 242 Kanal 2 Marla situated at village Luanwala, Muktsar registered vide sale deed no 504, 505, 1955, 1958, 3215, 3243, 3398 & 4414
  - b) Land measuring 36 Kanal 11 marla situated at village Luanwala, Muktsar registered vide sale deed no 793 & 806
  - c) Land measuring 9 Kanal 10 marla situated at village Luanwala, Muktsar registered vide sale deed no 379
2. Plot measuring (6 Kanal) 3630 sq yards situated near Ram Sharanam Ashram Muktsar regd Vide sale deed no 1864 dated 09.09.2009 standing in the name of Anil Satia
3. Commercial Industrial Land situated at Vill Sarini, Lalru, SAS Nagar, Mohali, Punjab measuring 31 Bigha, 1 Biswa, 16 Biswas (31090 Sq yards) reg. vide sale deed no 8609 dated 28.01.2010
4. Industrial property having sale Deed Serial No 598 dated 12.04.2012 situated at Village Sarini, SAS Nagar Mohali, Punjab measuring 7 Bigha standing in the name of Akhil Satia
5. Industrial property having sale Deed Serial No 12153 dated 20.11.2012, situated at Village Sarini SAS Nagar Mohali, Punjab measuring 3 Bigha, 2 Biswa & 16 Biswas standing in the name of Akhil Satia
6. Loan on Bank Deposits having value of Rs 2.17 crore standing in the name of TC Terrytex.

**Note 6**

**Primary Security**

Cash Credit Hypothecation of all current assets of the company (present as well as future) on 1st Pari Passu basis with Lead Bank (SBI) and other members for their share in WC Limits

Term Loan 1st Pari Passu Charge among the Term Loan Lenders on all fixed assets of the company & all other assets created out of term loans

1st Pari Passu Charge among the Term Loan Lenders on I, & II of the company situated at Village Sarini, Lalru, District Mohali consisting of:

- a) Land Measuring 32 Bigha 7 Biswa through Sale Deed No 8719 dated 23.03.2008
- b) Land Measuring 25 Bigha 9 Biswa through Sale Deed No 8718 dated 24.03.2008
- c) Land Measuring 5 Bigha 11 Biswa through Sale Deed No 8745 dated 25.03.2008

**Details of Collateral Securities**

Sr. No

**Type of Fixed Asset**

1. Vacant Plot
2. Vacant Plot
3. Land & Building
4. Land & Building

**Details of Property**

- 1st Pari Passu Charge on Land measuring 7 Bigha situated at Village Sarini, Tehsil Derabassi Dist. Mohali vide Sale Deed no 598 dated 12.04.2012
  - 1st Pari Passu Charge on Land measuring 3 Bigha 2 Biswa 16 Biswa situated at Village Sarini, Tehsil Derabassi Dist. Mohali vide Sale Deed no 12153 dated 20.11.2012
  - 1st Pari Passu charge on Commercial property situated at Village Sarini, Lalru, Dist. Mohali, Punjab measuring 31090 Sq yards in the name of TC Terrytex Ltd
  - 1st Pari Passu charge on freehold Land measuring 248 Kanal 03 Marla situated at Village Lubanwala, Muktsar comprising of
    - a) 242 Kanal 02 Marla vide Sales deed No 504, 505, 1955, 1958, 3215, 3243, 3398 & 4414
    - b) 36K 11M Vide Sale Deed No 793 & 806
    - c) 9 kanal 10 Marla Vide Sale Deed No 379
  - 1st Pari Passu charge on freehold plot measuring 6 Kanal situated near Ramsharanam Ashram Muktsar
- Cash Collateral (Lein on Term Deposits of M/s TC Terrytex Limited & Mr Akhil Satia having face value of FDs kept with Lead Bank SBI of Rs 2.17 Cr)
- Residual Value of assets financed under Term Loan
- Residual Value of current assets financed by working capital Limits



E. Reconciliation of movements of current and non-current borrowings to cash flows arising from financing activities

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Borrowings at the beginning of the period	(196.61)	(88.71)	4.72
Proceeds/Repayments from non-current borrowings (net)	(238.44)	(127.46)	(91.34)
Proceeds from repayments of current borrowings (net)	54.44	19.56	(2.09)
Borrowings at the end of the period	(380.61)	(196.61)	(88.71)

  

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<b>A. Non-current</b>			
Provision for employee benefits:			
Provision for compensated absences (refer note 33)	7.42	7.04	6.80
Provision for gratuity (refer note 33)	39.30	35.76	30.71
<b>B. Current</b>			
Provision for employee benefits:			
Provision for FNI and PF	3.92	3.96	3.29
Provision for employee benefits:	-	-	0
Provision for compensated absences (refer note 33)	1.09	0.59	0.54
Provision for gratuity (refer note 33)	5.04	2.39	1.92
Others:	10.05	6.95	5.75
Other Short Term Provision	68.72	47.70	35.05
<b>Note 18 - Other non-current liabilities</b>	78.76	54.65	40.79
Other non-current liabilities*	31 March 2025	31 March 2024	31 March 2023
	3.52	2.25	3.09
	3.52	2.25	3.09

\*As of the balance sheet date, certain trade payables have been outstanding for a period exceeding 12 months. The delays in settlement of these payables are attributable to the failure of performance or delivery obligations by the respective vendors, or because the payments are not contractually due as of the balance sheet date.

Note 19 - Trade payables

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro and small enterprises	33.76	30.93	23.75
Total outstanding dues of creditors other than micro and small enterprises	795.72	670.18	435.88
	829.48	701.11	459.63

Also, the Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. The information regarding Micro Enterprises and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. Refer note 35 for the disclosure in respect of amounts payable to such enterprises as at period year end that has been made in the Restated Consolidated Financial Information based on information available with the Company.

\* Refer note 35

As at 31 March 2023

	Outstanding for following periods from due date of payment					Total
	Unbilled	Not due	< 1 year	1 year to 2 years	2 year to 3 years > 3 years	
Outstanding dues of micro and small enterprises	-	-	23.75	-	-	23.75
Outstanding dues of creditors other than micro and small enterprises	-	-	425.44	9.81	0.63	435.88
Disputed dues of micro and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-
<b>Total</b>	-	-	449.19	9.81	0.63	459.63

  

	Outstanding for following periods from due date of payment					Total
	Unbilled	Not due	< 1 year	1 year to 2 years	2 year to 3 years > 3 years	
Outstanding dues of micro and small enterprises	-	-	30.93	-	-	30.93
Outstanding dues of creditors other than micro and small enterprises	-	-	667.97	2.19	0.02	670.18
Disputed dues of micro and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-
<b>Total</b>	-	-	698.90	2.19	0.02	701.11

  

	Outstanding for following periods from due date of payment					Total
	Unbilled	Not due	< 1 year	1 year to 2 years	2 year to 3 years > 3 years	
Outstanding dues of micro and small enterprises	-	-	33.76	-	-	33.76
Outstanding dues of creditors other than micro and small enterprises	-	-	788.77	6.95	0.01	795.73
Disputed dues of micro and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-
<b>Total</b>	-	-	822.52	6.95	0.01	829.48

Note 20 - Other Financial liability

Payable to bank under Letter of Credit

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Payable to bank under Letter of Credit	222.50	225.95	223.06
	222.50	225.95	223.06

Note 21 - Other current liabilities

Statutory dues  
Other Expenses Payable  
Employee Benefits Payable  
Rent payable  
Payable to Staff (Advance Imprest)  
Contract Liabilities  
Interest Accrued but not Due

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Statutory dues	3.58	3.11	2.6
Other Expenses Payable	24.17	21.38	50.19
Employee Benefits Payable	32.65	31.44	26.24
Rent payable	0.23	-	-
Payable to Staff (Advance Imprest)	0.24	0.22	0.25
Contract Liabilities	7.72	4.07	10.78
Interest Accrued but not Due	0.60	4.17	5.27
	69.19	64.39	95.33

Note 22 - Revenue from operations

Sale of finished goods  
Sale of traded goods  
Sale of services  
Other operating revenues  
- Export incentives  
- Scrap sales

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Sale of finished goods	6,165.06	6,040.27	4,992.32
Sale of traded goods	0.03	1.22	3.64
Sale of services	-	-	-
Other operating revenues:			
- Export incentives	19.97	9.06	30.02
- Scrap sales	516.51	461.79	423.34
	33.23	31.88	31.89
	6,734.80	6,544.22	5,441.31

  

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Contract price	6,176.82	6,052.33	4,982.70
Adjustments for discounts and rebates	(11.73)	(10.84)	(26.74)
<b>Revenue recognized</b>	<b>6,165.09</b>	<b>6,041.49</b>	<b>4,955.96</b>



**T.C TERRYTEX LIMITED**  
**Annexure VI-Notes to Audited Financial Information**

(Amount in INR outflows, except for share data unless otherwise stated)

b	Revenue from sale of goods and services disaggregated by primary geographical market		
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
India	1,506.04	1,778.78	1,021.69
Outside India	4,659.05	4,262.71	3,934.27
<b>Total revenue from contracts with customers</b>	<b>6,165.09</b>	<b>6,041.49</b>	<b>4,955.96</b>

**Note 23 - Other income**

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Interest income			
- on bank deposits			
Net profit on sale of property, plant and equipment	7.42	6.23	4.71
Capital Gain on Mutual Fund	-	-	-
Fair valuation gain/(loss) on mutual fund	-	0.34	0.45
Hedging gain/(loss) **	1.41	1.12	0.04
Misc Income	(2.76)	(0.34)	(1.26)
Encashment of Performance Guarantee	0.01	0.21	-
		19.94	-
<b>Hedging gain/(loss) **</b>	<b>6.08</b>	<b>27.50</b>	<b>3.94</b>

The Company uses forward contracts to hedge the foreign currency risk related to highly probable forecast transactions (export sales in USD and repayment foreign currency loans). These derivatives are designated as cash flow hedges.

**Note 24- Cost of materials consumed**

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Raw Material			
Packing Material	4,309.45	4,298.34	3,373.57
Dyes & Chemicals Consumed	-	-	-
Stores Consumption	312.57	297.58	268.68
	<b>4,622.01</b>	<b>4,595.92</b>	<b>3,642.25</b>

**Movement of Raw Materials Consumption (including purchased components)**

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Inventory at the beginning of the period/year			
Add: Purchases	458.53	433.14	444.37
Less: Inventory at the end of the period/year	4,650.98	4,621.31	3,631.02
	<b>4,622.01</b>	<b>4,595.92</b>	<b>3,642.25</b>

**Note 25 - Changes in inventories of finished goods, work-in-progress and stock-in-trade**

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Opening balance			
- Finished goods			
- Work-in-progress	735.32	691.88	679.33
- Waste Stock	470.51	472.31	466.01
	3.56	3.21	3.10
Add: Inventory on acquisition of business on account of slump sale			
- Finished goods	-	-	-
- Work-in-progress	-	-	-
Add: Inventory on acquisition of subsidiary			
- Finished goods	-	-	-
- Stock-in-trade	-	-	-
- Right to return goods	-	-	-
Closing balance			
- Finished goods			
- Work-in-progress	794.29	735.32	691.88
- Waste Stock	516.39	470.51	472.31
- Right to return goods	-	3.56	3.21
	<b>(101.29)</b>	<b>(41.99)</b>	<b>(18.96)</b>

**Note 26 - Employee benefits expense**

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Salaries, Wages and Bonus	395.22	341.35	322.04
Contribution to Provident and other funds (refer note 33)	27.75	25.38	20.39
Staff welfare expenses	3.43	2.73	2.89
Current Service Cost (Gratuity)	7.65	6.94	6.04
Interest Cost (Leave with Wages)	3.18	2.57	2.20
Interest Cost (Leave With Wages)	0.55	0.55	0.51
Interest Cost (Gratuity)	2.72	2.45	2.07
	<b>440.55</b>	<b>381.97</b>	<b>356.13</b>



**T.C TERRYTEX LIMITED**  
**Annexure VI-Notes to Audited Financial Information**  
*(Amount in INR millions, except for share data unless otherwise stated)*

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<b>Note 27 - Finance costs</b>			
Interest expense on financial liabilities measured at amortised cost:			
- on borrowings	182.76	189.76	202.50
Interest to others *	42.20	32.64	24.57
Other borrowing cost	21.36	19.74	21.10
	<b>246.32</b>	<b>242.14</b>	<b>248.17</b>

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<b>Note 28 - Depreciation and amortization expense</b>			
Depreciation on property, plant and equipment (refer to note 7a)	119.81	110.82	108.40
	<b>119.81</b>	<b>110.82</b>	<b>108.40</b>

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<b>Note 29 - Other expenses</b>			
Admin Expenses	40.14	26.84	24.57
Selling Expenses	584.57	517.74	481.43
Manufacturing Expenses	524.38	530.85	458.99
CSR Expense*	1.46	1.58	1.00
Miscellaneous expenses	32.58	27.86	43.53
	<b>1,183.13</b>	<b>1,104.87</b>	<b>1,009.53</b>

# In accordance with para 5(a) of Ind AS 116, the Company has elected to apply the recognition exemption for short-term leases (i.e., leases with a term of 12 months or less and no purchase option)

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<b>(a) Payment to auditors (excluding goods and services tax)</b>			
As auditor:			
- Statutory audit	0.08	0.08	0.08
- Certification	-	-	-
- Reimbursement of expenses	-	-	-
Total	<b>0.08</b>	<b>0.08</b>	<b>0.08</b>

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<b>Note 30 - Tax expense</b>			
<b>Amount recognised in Statement of Profit and Loss:</b>			
<b>Current tax:</b>			
Current tax (Previous Year)	13.26	1.69	0.58
Current tax	62.37	42.09	30.79
<b>MAT Credit:</b>			
Deferred tax:	(15.28)	(0.18)	(21.91)
- Attributable to origination and reversal of temporary differences			
Total tax expense recognized	<b>60.34</b>	<b>43.60</b>	<b>9.45</b>

**CORPORATE SOCIAL RESPONSIBILITY**

We are committed to making a meaningful contribution to society through our corporate social responsibility initiatives, which are focused on animal care, education, and community welfare. We carry out these initiatives in partnership with local organizations to ensure sustainable impact.

In fiscal 2024-25, we continued our support for animal welfare through the monthly supply of cattle feed to a cowshed located in Lalru, aimed at supporting the health and well-being of stray and abandoned cattle. This initiative ensures consistent nutrition for the animals and contributes to improved animal welfare in the region. Our expenditure on corporate social responsibility during the year was 1.46 million, representing 0.022% of our total expenses.

In fiscal 2023-24, a similar initiative was undertaken involving the monthly supply of cattle feed to a cowshed located in Lalru, to provide nutritional support for stray and abandoned cattle. This effort reinforced our ongoing commitment to animal care. Our CSR expenditure during the year was 1.58 million, representing 0.024% of our total expenses.

In fiscal 2022-23, our corporate social responsibility activities focused on education. We made a charitable donation to the Vivekananda Rock Memorial and Vivekananda Kendra towards the construction of the main school building. This initiative aimed to support educational infrastructure and improve access to quality education in the region. The CSR expenditure for the year amounted to 1.00 million, representing 0.018% of our total expenses.

Particulars	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Gross amount required to be spent by the Group during the year as per section 135 of the companies Act, 2013	2.25	1.62	1.06
<b>Amount spent during the year on</b>			
i) construction of main school building			1.00
ii) Supply of cattle feed	1.46	1.58	
<b>Total</b>	<b>1.46</b>	<b>1.68</b>	<b>1.00</b>

**Notes:**

- The Group has not made any transaction with related parties in relation to CSR expenditure as per Ind AS 24.
- The Group CSR initiatives are strategically directed towards -
  - Donation towards construction of main school building
  - Monthly supply of cattle feed to a cowshed





**T.C TERRYTEX LIMITED**

**Annexure VI-Notes to Audited Financial Information**

(Amount in INR millions, except for share data unless otherwise stated)

**Note 31 - Earnings per share**

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<i>i. Profit for basic/diluted earning per share of face value of INR 10 each</i>			
Profit for the period/year	170.01	134.40	90.28
<i>ii. Calculation of Weighted average number of equity shares for (basic and diluted)</i>			
Number of equity shares at the beginning and end of the period/year	12,93,18,280	12,93,18,280	12,93,18,280
<b>Basic and diluted earnings per share (face value of INR 10 each)</b>	<b>1.31</b>	<b>1.04</b>	<b>0.70</b>

Note: The equity shares and basic/diluted earnings per share has been presented to reflect the adjustments for sub-division of shares and issue of bonus shares subsequent to 1st April 2022 in accordance with Ind AS 33 - Earnings per Share.

**Note 32 - Segment information**

The Board of Directors monitors the operating results of this segment for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the Restated Consolidated Financial Information. For management purpose, the Group has identified "Towels and Yarns" as single operating segment.

**a. Information about products and services**

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<i>n. Revenue from sale of towels</i>			
Revenue from sale of towels	4,697.94	4,332.29	3,914.35
Revenue from sale of yarns	1,467.12	1,707.98	1,037.97
<b>Total</b>	<b>6,165.06</b>	<b>6,040.27</b>	<b>4,952.32</b>

**b. Information about geographical areas**

The geographical information analyses the Company's revenues of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers. The following is the distribution of the Company's consolidated revenues and receivables by geographical market, regardless of where the goods were produced:

<b>Revenue from customers</b>	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
India	1506.04	1778.78	1021.69
Outside India	4,659.05	4,262.71	3,934.27
	<b>6,165.09</b>	<b>6,041.49</b>	<b>4,955.96</b>

**Trade receivables**

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
India	276.24	391.83	417.82
Outside India	825.84	693.81	614.23
	<b>1,102.07</b>	<b>1,085.64</b>	<b>1,032.04</b>

**iii) Non-current assets**

The Group has common non-current assets for business in domestic and overseas markets. Hence, separate figures for non-current assets/ additions to property, plant and equipment have not been furnished.

**c. Information about major customers (from external customers)**

K Mart Australia Limited of the Group constituted more than 10% of the total revenue of Group



**T.C TERRYTEX LIMITED**

**Annexure VI-Notes to Audited Financial Information**

(Amount in INR millions, except for share data unless otherwise stated)

**Note 33 - Employee benefits**

**a. Defined contribution plans**

The Group makes contributions, determined as a specified percentage of employee salaries, towards Provident Fund and Employee State Insurance Scheme ('ESI') which are collectively defined as defined contribution plans. The Group has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss on accrual basis. The amount recognized as an expense towards contribution to Provident Fund and ESI are as follows:

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Provident fund	21.19	19.31	15.12
ESI contribution	6.16	5.69	4.93
	<b>27.35</b>	<b>25.00</b>	<b>20.05</b>

**b. Defined benefit plans**

**Gratuity**

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who have completed five years of service are entitled to specific benefit. The level of benefit provided depends on the member's length of service and salary retirement age. The employee is entitled to a benefit equivalent to 15 days salary last drawn for each completed year of service. The same is payable on termination of service or retirement or death whichever is earlier.

The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on government bonds as at the date of actuarial valuation. Actuarial gains and losses (net of tax) are recognized immediately in the Other Comprehensive Income (OCI).

This is an unfunded benefit plan for qualifying employees. This scheme provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment. Vesting occurs upon completion of five years of service.

The above defined benefit plan exposes the Group to following risks:

**Interest rate risk:**

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

**Salary inflation risk:**

The estimates of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**Demographic risk:**

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

The following table sets out the status of the defined benefit plan as required under Ind AS 19 - Employee Benefits:

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<b>i. Reconciliation of present value of defined benefit obligation</b>			
Balance at the beginning of the period/year	38.15	32.63	28.50
On account of business combination during the period/year		-	-
Interest cost	2.77	2.45	2.07
Current service cost	7.65	6.94	6.04
Past service cost		-	-
Benefits paid	(4.81)	(3.12)	(2.05)
Actuarial loss recognized in other comprehensive income			
- from changes in financial assumptions (difference valuation and balancesheet)		-	-
- from changes in demographic assumptions		-	-
- from experience adjustments	0.58	(0.74)	(1.93)
<b>Balance at the end of the period/year</b>	<b>44.34</b>	<b>38.15</b>	<b>32.63</b>
<b>Current Liability</b>	<b>5.04</b>	<b>2.39</b>	<b>1.92</b>
<b>Non current liability</b>	<b>39.30</b>	<b>35.76</b>	<b>30.71</b>
	As at	As at	As at
	31 March 2025	31 March 2024	31 March 2023
<b>ii. Amount recognized in statement of profit and loss</b>			
Interest cost	2.77	2.45	2.07
Current service cost	7.65	6.94	6.04
Past service cost		-	-
	<b>10.42</b>	<b>9.39</b>	<b>8.10</b>
<b>iii. Remeasurements recognized in other comprehensive income</b>			
Actuarial loss for the period/year on defined benefit obligation	0.58	(0.74)	(1.93)
	<b>0.58</b>	<b>(0.74)</b>	<b>(1.93)</b>



**iv. Actuarial assumptions***(i) Economic assumptions*

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Discount rate (per annum)	6.75%	7.25%	7.25%
Future salary growth rate (per annum)	5.00%	5.00%	5.00%
Expected average remaining working lives (years)	22	22.3	22.4
<i>(ii) Demographic assumptions</i>			
	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Retirement age (years)	58	58	58
Mortality rate	IALM 2012-14	IALM 2012-14	IALM 2012-14
Attrition rate (per annum)			
Upto 30 years	10%	5%	5%
From 31 to 44 years			
Above 44 years			

**v. Sensitivity analysis on defined benefit obligation on account of change in significant assumption:**

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<i>Increase</i>			
Discount rate (1% movement)	(0.06)	(0.08)	(0.08)
Future salary growth rate (1% movement)	0.06	0.09	0.09
<i>Decrease</i>			
Discount rate (1% movement)	0.07	0.09	0.10
Future salary growth rate (1% movement)	(0.06)	(0.08)	(0.08)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same methods (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

**vi. Expected maturity analysis of the defined benefit plan in future years**

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Within 1 year (next annual reporting period)	5.04	2.39	1.92
Between 1 to 6 years	12.25	7.67	5.91
Beyond 6 years	27.05	28.09	24.80
<b>Total expected payments</b>	<b>44.34</b>	<b>38.15</b>	<b>32.63</b>

**vii. Weighted average duration and the expected employers contribution for next year of the defined benefit plan:**

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Weighted average duration of the defined benefit plan (in years)	15.00	15.00	16.00
Expected employers contribution for next year	10.67	9.90	8.14



**Leave with wages**

The Leave with Wages is governed by the Factories Act, 1948. As per Section 79 of the Act, the employees who have worked for at least 240 days in a calendar year are entitled to leave with wages: For Adults, it is one day leave for every 20 days of work. Workers can carry over unused leave to the next year, but no more than 30 days for adults and 40 days for children. If leave is denied incorrectly, there's no limit on how much can be carried over.

The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on government bonds as at the date of actuarial valuation. Actuarial gains and losses (net of tax) are recognized immediately in the Other Comprehensive Income (OCI).

The above defined benefit plan exposes the Group to following risks:

**Interest rate risk:**

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

**Salary inflation risk:**

The estimates of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**Demographic risk:**

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

The following table sets out the status of the defined benefit plan as required under Ind AS 19 - Employee Benefits:

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<b>i. Reconciliation of present value of defined benefit obligation</b>			
Balance at the beginning of the period/year	7.64	7.34	6.98
On account of business combination during the period/year	-	-	-
Interest cost	0.55	0.55	0.51
Current service cost	3.18	2.57	2.20
Past service cost	-	-	-
Benefits paid	(0.70)	(0.85)	(0.54)
Actuarial loss recognized in other comprehensive income			
- from changes in financial assumptions (difference valuation and balancesheet)	-	-	-
- from changes in demographic assumptions	-	-	-
- from experience adjustments	(2.16)	(1.97)	(1.80)
<b>Balance at the end of the period/year</b>	<b>8.51</b>	<b>7.64</b>	<b>7.34</b>
Current Liability	1.09	0.59	0.54
Non Current Liability	7.42	7.04	6.80

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<b>ii. Amount recognized in statement of profit and loss</b>			
Interest cost	0.55	0.55	0.51
Current service cost	3.18	2.57	2.20
Past service cost	-	-	-
	3.73	3.12	2.71
<b>iii. Remeasurements recognized in other comprehensive income</b>			
Actuarial loss for the period/year on defined benefit obligation	(2.16)	(1.97)	(1.80)
	(2.16)	(1.97)	(1.80)

**iv. Actuarial assumptions**

*(a) Economic assumptions:*

The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Discount rate (per annum)	6.75%	7.25%	7.50%
Future salary growth rate (per annum)	5.00%	5.00%	5.00%
Expected average remaining working lives (years)	22	22.3	22.4
<b>(a) Demographic assumptions</b>			
Retirement age (years)	58	58	58
Mortality rate	IALM 2012-14	IALM 2012-14	IALM 2012-14
Attrition rate (per annum)			
Upto 30 years	10%	5.00%	5.00%
From 31 to 44 years			
Above 44 years			

<b>v. Sensitivity analysis on defined benefit obligation on account of change in significant assumption:</b>	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<b>Increase</b>			
Discount rate (1% movement)	(0.06)	(0.09)	(0.09)
Future salary growth rate (1% movement)	0.07	0.10	0.10
<b>Decrease</b>			
Discount rate (1% movement)	0.07	0.10	0.10
Future salary growth rate (1% movement)	(0.06)	(0.09)	(0.09)

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same methods (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

<b>vii. Weighted average duration and the expected employers contribution for next year of the defined benefit plan:</b>	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Weighted average duration of the defined benefit plan (in years)	18	18	19



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Note 34 - Related parties

I- Disclosure post elimination of post group entries

A. List of related parties and nature of relationship with whom transactions have taken place

Description of Relationship	Name of the Party	
Key management personnel ('KMP')	Mr. Akhil Satia	(Director)
	Mr. Sunil Kaura	(Director)
	Mr. Parminder singh Barnala	(Director)
	Mr Rajeev Chopra	(Chief Financial Officer)
	Mrs. Tanvi Mahendru	(Company Secretary)
Relative of KMP	Mr. Pukhraj Kaura ( son of Mr. Sunil Kaura ) Mrs. Reetu Barnala ( Wife of Parminder singh Barnala ) Mrs. Sabhyata Satia ( wife of Mr. Akhil Satia )	

B. The following table provides the total amount of transactions that have been entered into with related parties

Nature of transaction	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<b>1 Payment made</b>			
Sabhyata Satia (imprest)	1.12	0.36	0.51
Akhil Satia(imprest)	7.44	10.73	13.89
Rajiv Chopra (imprest)	0.46		0.01
P S Barnala (imprest)	0.00	0.05	0.75
Akhil Satia(Tour and Travel)	0.64	0.03	
Sunil Kaura (imprest)	0.09	0.32	0.16
<b>2 Amount Received</b>			
Sabhyata Satia (imprest)	0.77	0.36	0.51
Akhil Satia(imprest)	7.44	11.06	13.56
P S Barnala (imprest)	0.07	0.20	0.54
Sunil Kaura (processing charges)	0.00		
Sunil Kaura (imprest)	0.09	0.32	0.18
Rajiv Chopra (imprest)			0.01
Akhil Satia(Tour and Travell )	0.83		
<b>3 Rent</b>			
Isha Satia	1.10	1.10	1.10
Sabhyata Satia	1.5	1.00	
<b>4 Employee benefits expenses *</b>			
Akhil Satia	7.91	7.56	7.20
Sunil Kaura	1.45	1.96	2.10
Rajeev Chopra	1.43	1.80	1.44
Mrs Sabhyata Satia	2.77	2.65	2.52
Mr. Pukhraj Kaura	0.97	0.86	-
Mrs. Tanvi Mahendru CS	0.29	0.26	0.32

* Break-up of compensation of key managerial personnel of the Group	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Short-term employee benefits	19.46	15.09	13.26
Post-employment benefits			
<b>Total compensation paid to key management personnel</b>	<b>19.46</b>	<b>15.09</b>	<b>13.26</b>

The amount disclosed above in the table are the amounts recognized as expense during the reporting period related to key management personnel

C. Balances outstanding

Nature of transaction	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<b>1 Borrowings</b>			
Akhil Satia	2.70	-	0.40

D. Terms and conditions of transactions with related parties

The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions and within ordinary course of business

II- Disclosure prior to elimination of post group entries

A. List of related parties and nature of relationship with whom transactions have taken place

Description of Relationship	Name of the Party	
Subsidiary	Nil	
Description of Relationship Key management personnel	Name of the Party	
	Mr. Akhil Satia	(Director)
	Mr. Sunil Kaura	(Director)
	Mr. Parminder singh Barnala	(Director)
	Mr Rajeev Chopra	(Chief Financial Officer)
Relative of KMP	Mrs. Tanvi Mahendru	(Company Secretary)
	Mr. Pukhraj Kaura ( son of Mr. Sunil Kaura ) Mrs. Reetu Barnala ( Wife of Parminder singh Barnala ) Mrs. Sabhyata Satia ( wife of Mr. Akhil Satia )	



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**T.C TERRYTEX LIMITED**

**Annexure VI-Notes to Audited Financial Information**

*(Amount in INR millions, except for share data unless otherwise stated)*

**B. The following table provides the total amount of transactions that have been entered into with related parties**

Nature of transaction	As at	As at	As at
	31 March 2025	31 March 2024	31 March 2023
<b>1 Payment made</b>			
Sabhyata Satia (imprest)	1.12	0.36	0.51
Akhil Satia(imprest)	7.44	10.73	13.89
Rajiv Chopra (imprest)	0.46		0.01
P S Barnala (imprest)	0.00	0.05	0.75
Akhil Satia(Tour and Travell )	0.64	0.03	
Sunil Kaura (imprest)	0.09	0.32	0.16
<b>2 Amount Received</b>			
Sabhyata Satia (imprest)	0.77	0.36	0.51
Akhil Satia(imprest)	7.44	11.06	13.56
P S Barnala (imprest)	0.07	0.20	0.54
Sunil Kaura (processing charges)	0.00		
Sunil Kaura (imprest)	0.09	0.32	0.18
Rajiv Chopra (imprest)	0.46		0.01
Akhil Satia(Tour and Travell )	0.83		
<b>3 Rent</b>			
Isha Satia	1.10	1.10	1.10
Sabhvata Satia	1.5	1.00	
<b>4 Employee benefits expenses</b>			
Akhil Satia	7.91	7.56	7.20
Sunil Kaura	1.45	1.96	2.10
Pukhraj Kaura	0.97	0.86	
Rajeev Chopra	1.43	1.80	1.44
Sabhyata Satia	2.77	2.65	2.52
Mrs. Tanvi Mahendru CS	0.29	0.26	0.32

* Break-up of compensation of key managerial personnel of the Group	As at	As at	As at
	31 March 2025	31 March 2024	31 March 2023
Short-term employee benefits	19.46	15.09	13.58
Post-employment benefits			
<b>Total compensation paid to key management personnel</b>	<b>19.46</b>	<b>15.09</b>	<b>13.58</b>

The amount disclosed above in the table are the amounts recognized as expense during the reporting period related to key management personnel

**C. Balances outstanding as at**

Nature of transaction	As at	As at	As at
	31 March 2025	31 March 2024	31 March 2023
<b>1 Borrowings</b>			
Akhil Satia	2.70		0.40

**D. Terms and conditions of transactions with related parties**

The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions and within ordinary course of business. Outstanding balances are unsecured and interest free and settlement occurs in cash.



**T.C TERRYTEX LIMITED****Annexure VI-Notes to Audited Financial Information***(Amount in INR millions, except for share data unless otherwise stated)***Note 35 - Details of dues to micro and small enterprises as defined under the MSMED Act, 2006**

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at the year end has been made in the Restated Consolidated Financial Information based on information available with the Company as under:

Particulars	As at	As at	As at
	31 March 2025	31 March 2024	31 March 2023
(i) The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting period/year;			
- Principal amount remaining unpaid to any supplier	33.76	30.93	23.75
- Interest due thereon remaining unpaid to any supplier	0.77	1.34	0.34
(ii) the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;			
(iii) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006);			
(iv) The amount of interest accrued and remaining unpaid at the end of accounting period/year; and	0.77	1.34	0.34
(v) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006.	0.77	1.34	0.34



**Note 36 - Financial instrument : fair value measurements**

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the Group, other than those with carrying amounts that are reasonable approximations of fair values:

	Note	As at 31 March 2025		As at 31 March 2024		As at 31 March 2023	
		Amortised Cost	Fair value through P&L	Amortised Cost	Fair value through P&L	Amortised Cost	Fair value through P&L
<b>Financial assets</b>							
Investments	a		18.76		16.84		17.19
Trade receivables	b	1,101.65		1,085.41		1,031.99	
Cash and cash equivalents	b	8.11		7.81		21.72	
Bank balances other than above	b	179.16		26.48		19.32	
Other financial assets	a,b	83.20		90.03		82.05	
		<b>1,372.12</b>	<b>18.76</b>	<b>1,209.73</b>	<b>16.84</b>	<b>1,155.08</b>	<b>17.19</b>
<b>Financial liabilities</b>							
Borrowings	b	1,752.00		1,936.00		2,043.90	
Trade payables	b	829.48		701.11		459.63	
Other financial liabilities	b			225.95		223.06	
		<b>2,581.48</b>	-	<b>2,863.06</b>	-	<b>2,726.59</b>	-

**Notes:**

- The Company's non-current borrowings have been contracted at market rates of interest. Accordingly, the carrying value of such non-current borrowings approximates fair value. Further, in accordance with amendment Ministry of Corporate Affairs notified in Ind AS 113 on 30 March 2019, fair value measurement of lease liabilities is not required. Fair value of other non-current other financial assets has not been disclosed as there is no significant differences between carrying value and fair value.
- Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

There are no transfers between level 1, level 2 and level 3 during the period/years presented.

**Note 37 (a) - Financial risk management**

**Risk management framework**

The Company is exposed to market risk, credit risk and liquidity risk. The Company's board of director oversees the management of these risks. The Company's board of directors are responsible to ensure that Company's financial risk activities which are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The board of directors reviews and agrees policies for managing each of these risks, which are summarized below.

**(i) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises interest rate risk and currency risk. Financial instruments affected by market risk include trade receivables, trade payables and borrowings. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

**(a) Interest Rate Risk**

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates. The Company is exposed to interest rate risk because funds are borrowed at floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The exposure of the Group's borrowing to interest rate changes as reported to the management at the end of the reporting period/year are as follows:

The exposure of the Company's borrowing to floating interest rate as reported at the end of the reporting period/year are as follows:

	As at	As at	As at
	31 March 2025	31 March 2024	31 March 2023
Floating rate borrowings	1,740.65	1,920.25	2,038.86
Fixed rate borrowings	11.35	15.75	5.04
<b>Total borrowings (gross of transaction cost)</b>	<b>1,752.00</b>	<b>1,936.00</b>	<b>2,043.90</b>

**Interest rate sensitivity analysis**

A reasonably possible change of 0.50 % in interest rates at the reporting date would have affected the profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Profit or Loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
<b>As as 31 March 2023</b>				
Interest rate (0.5% movement)	1.01	(1.01)	0.76	(0.76)
<b>As as 31 March 2024</b>				
Interest rate (0.5% movement)	0.95	(0.95)	0.71	(0.71)
<b>As as 31 March 2025</b>				
Interest rate (0.5% movement)	0.91	(0.91)	0.68	(0.68)



(b) Currency risk

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Group's operating activities.

Exposure to currency risk

The carrying amount of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period/year are as follows:

	As at 31 March 2025		As at 31 March 2024		As at 31 March 2023	
	Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency	Amount in Foreign Currency	Amount in Indian Currency
Trade Receivable	9.64	825.84	8.46	693.81	7.47	614.23
Advance to supplier	0.01	0.60	0.01	0.61	0.01	0.70
Borrowings	8.27	706.83	5.13	427.79	4.27	351.14

Foreign currency term loans and working capital loans included in the above exposures are hedged through derivative instruments or other appropriate risk management measures.

Sensitivity analysis:

The following table details the Company's sensitivity to a 5% increase and decrease in the INR against relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectations of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjust their transaction at the year end for 5% change in foreign currency rates. A positive number below indicates a increase in profit or equity where the INR strengthens 5% against the relevant currency. For a 5% weakening of the INR against the relevant currency, there would be a comparable impact on the profit or equity balance below would be negative. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
As at 31 March 2023				
USD 5% movement	(0.37)	0.37	(0.28)	0.28
As at 31 March 2024				
USD 5% movement	(0.42)	0.42	(0.32)	0.32
As at 31 March 2025				
USD 5% movement	(0.48)	0.48	(0.36)	0.36

(ii) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

(a) Trade receivables

The Company has evaluated its trade receivables for impairment in accordance with the simplified approach prescribed under Ind AS 109 - Financial Instruments, which requires the recognition of Expected Credit Losses (ECL) on all trade receivables.

Based on the nature of its customer base and historical experience, the Company has no significant record of defaults on trade receivables. Accordingly, the Company has not created a detailed ECL matrix or model for all receivables.

However, in accordance with the principles of prudence and considering the Company's normal operating cycle of 12 months, management has applied a 100% provision on trade receivables outstanding for more than one year from the due date, as these are considered to carry a higher credit risk.

All other receivables are considered to be of low credit risk, and no material impairment has been recognized on those balances.

The Company's exposure to credit risk for trade receivables by geographic region is as follows:

Particulars	As at	As at	As at
	31 March 2025	31 March 2024	31 March 2023
Within India	276.2	391.83	417.82
Outside India	825.8	693.81	614.23
Total	1102.07	1085.64	1032.04

The carrying amount of the Group's most significant customer is INR 251.8 Millions as at 31st march 2023, 281.44 Millions as at 31st march 2024, INR 191.76 Millions as at 31st march 2025

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables:

	Gross carrying amount	Provisioning Rate (%)	PROVISION	Whether credit-impaired
As at 31 March 2023				
Less than 6 months	1,026.84	-	0.00	No
181-365 days	5.15	-	0.00	No
More than 365 days	0.05	100.00	0.05	No
Total	1,032.04	100.00	0.05	
As at 31 March 2024				
Less than 6 months	1,066.77	-	0.00	No
181-365 days	18.36	-	0.00	No
More than 365 days	0.23	100.00	0.23	No
Total	1,085.35	100.00	0.23	
As at 31 March 2025				
Less than 6 months	1,084.72	-	0.00	No
181-365 days	16.94	-	0.00	No
More than 365 days	0.42	100.00	0.42	No
Total	1,102.07	100.00	0.42	

(b) Cash and cash equivalents and deposits with banks

Cash and cash equivalents of the Group are held with banks which have high credit rating. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

(c) Security deposits

Security Deposits pertains to security deposited with the Punjab State Electricity Board (now Punjab State Power Corporation Ltd.) amounting 22.57 millions, deposits against service tax appeals amounting 0.73 million, deposits with pollution control board amounting 0.1 million and other deposits which are not contractual deposits but the statutory deposits. The Company considers that its deposits have low credit risk or negligible risk of default as the parties are well established entities and have strong capacity to meet the obligations. Also, where the Company expects that there is an uncertainty in the recovery of deposit, it provides for suitable impairment on the same.

(iii) Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including loans from banks at an optimized cost.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

As at 31 March 2023	Carrying amount	On demand	Upto 1 Year	1-3 year	More than 3 years	Total
Borrowings	2,043.90		1,397.54	634.72		2,043.90
Other financial liabilities	223.06		223.06		11.64	223.06
Trade payables	459.63		449.19	10.44		459.63

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Total	2,726.59	-	2,069.79	645.16	11.64	2,726.59
As at 31 March 2024	Carrying amount	On demand	Upto 1 Year	1-3 year	More than 3 years	Total
Borrowings	1,936.00		1,417.10	471.26	47.64	1,936.00
Other financial liabilities	225.95		225.95			225.95
Trade payables	701.11		698.90	2.21		701.11
Total	2,863.06	-	2,341.95	473.47	47.64	2,863.06
As at 31 March 2025	Carrying amount	On demand	Upto 1 Year	1-3 year	More than 3 years	Total
Borrowings	1,752.00		1,471.54	251.93	28.52	1,752.00
Other financial liabilities	222.5		222.5			222.50
Trade payables	829.48		822.52	6.96		829.48

(iv) Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry. In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

(v) Risk related to COVID-19

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of these audited financial statements including, but not limited to the recoverability of carrying amounts of financial and non-financial assets, its assessment of liquidity and going concern assumption. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these audited Restated Consolidated Financial Information, used internal and external sources of information and expects that the carrying amount of these assets will be recovered. The Company continues to take adequate safety precautions and will continue to closely monitor future economic conditions to ensure business continuity.

Note 37 (b)- Capital risk management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Group's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions, business strategies and future commitments. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, trade payables and borrowings, less cash and cash equivalents.

Particulars	As at		
	31 March 2025	31 March 2024	31 March 2023
Trade payables			
Borrowings	829.48	701.11	459.63
Less: cash and cash equivalents	1,752.00	1,936.00	2,043.90
Net debt	8.11	7.81	21.72
	<u>2,573.37</u>	<u>2,629.30</u>	<u>2,481.81</u>
Equity share capital			
Other equity	1,293.18	1,293.18	1,293.18
Total capital	519.87	348.27	211.16
	<u>1,813.05</u>	<u>1,641.45</u>	<u>1,504.34</u>
Capital and net debt	4,386.43	4,270.75	3,986.15
	<u>58.67%</u>	<u>61.57%</u>	<u>62.26%</u>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to maintain investor, creditor and market confidence and to sustain future development of the business.

Note 38 - Contingent liabilities and commitments \*

(a) Claims against the Group not acknowledged as debts

Service tax matters	As at		
	31 March 2025	31 March 2024	31 March 2023
	5.39	5.39	5.39
	<u>5.39</u>	<u>5.39</u>	<u>5.39</u>

(b) Other Commitments

Pending litigation **	As at		
	31 March 2025	31 March 2024	31 March 2023
	10.23	9.10	9.11
	<u>10.23</u>	<u>9.10</u>	<u>9.11</u>

\*\* Pending Litigation

S.NO	Party Name	Impact on Company March 2025	Impact on Company March 2024	Impact on Company March 2023
1	Anuma			0.00
2	Heena Rani			0.00
3	Om Logistics	1.13		
4	Satish Jain Contractor	7.90	7.90	7.90
5	Popal Bhai Bombay	1.20	1.20	1.20
	Total	10.23	9.10	9.11



(Amount in INR millions, except for share data unless otherwise stated)

**Note 39: Disclosures pursuant to Section 186 of the Companies Act, 2013:**

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
<b>Investments:</b>			
(i) Investment in equity shares:			
Gold Severign Bond-IOB			-
Union Corporate Bond F	12.72	11.27	11.98
UBI KBC Mutual Fund:	6.04	5.58	5.21
	<b>18.76</b>	<b>16.84</b>	<b>17.19</b>

**Note 40- First time adoption**

The audited statement of assets and liabilities of the Company as at 01 April 2022 and the audited statement of profit and loss, the audited consolidated statement of changes in equity and the audited statement of cash flows as at 01 April 2022 and restated other financial information has been prepared under Indian Accounting Standards ('Ind AS') notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) Rules, 2016 and other relevant provisions of the Act, to the extent applicable.

The audited financial information as at 01 April 2022 has been prepared in accordance with requirements of SEBI Circular, Guidance Note and SEBI Email. For the purpose of audited Financial Information as at 01 April 2022, the Company has followed the same accounting policy and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) as initially adopted on transition date i.e. 1 April 2022. Accordingly, suitable restatement adjustments (both re-measurements and reclassifications) in the accounting heads are made to the Proforma Ind AS Audited Consolidated Financial Information as at 01 April 2022 following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions) consistent with that used at the date of transition to Ind AS (i.e. 1 April 2022).

In addition to the adjustments carried herein, the Group has also made material restatement adjustments in accordance with SEBI Circular and Guidance Note (refer Annexure VII). Together these constitute the audited financial information.



### CAPITALISATION STATEMENT

The following table sets forth the Company's capitalisation derived from the Audited Financial Information.

Particulars	As at 31 March 2025 Amount	As at 31 March 2024 Amount	As at 31 March 2023 Amount
<b>1. Non-Current Borrowings:</b>			
Debt Securities	280.46	518.90	646.36
Borrowings (other than debt securities)		-	-
<b>Non-current borrowings (A)</b>	<b>280.46</b>	<b>518.90</b>	<b>646.36</b>
<b>2. Current Borrowings:</b>			
Debt securities	1,471.54	1,417.10	1,397.54
Borrowings (other than debt securities)		-	-
<b>Current borrowings (B)</b>	<b>1,471.54</b>	<b>1,417.10</b>	<b>1,397.54</b>
<b>Total Debt (C= A+B)</b>	<b>1,752.00</b>	<b>1,936.00</b>	<b>2,043.90</b>
<b>3. Equity:</b>			
Share Capital	1,293.18	1,293.18	1,293.18
Other Equity	519.87	348.27	211.16
<b>Total Equity (D)</b>	<b>1,813.05</b>	<b>1,641.45</b>	<b>1,504.34</b>
<b>Total Capitalisation (C+D)</b>	<b>3,565.06</b>	<b>3,577.45</b>	<b>3,548.24</b>
<b>Non-current borrowings/ Total Equity (A/D)</b>	<b>0.15</b>	<b>0.32</b>	<b>0.43</b>
<b>Total Debt/Total Equity (C/D)</b>	<b>0.97</b>	<b>1.18</b>	<b>1.36</b>



T.C TERRYTEX LIMITED

Quarter end date	Particulars	Amount as per books of account	Amount as per books of account	
			Amount as reported	Amount of difference
30 June 2022	Inventory	1,736.40	1,736.40	-
	Trade Receivable	958.50	961.00	(2.50)
	Trade Payable	627.16	625.36	1.80
30 September 2022	Inventory	1,713.48	1,713.48	-
	Trade Receivable	965.61	964.50	1.11
	Trade Payable	588.53	585.53	2.99
31 December 2022	Inventory	1,697.08	1,697.08	-
	Trade Receivable	961.88	961.48	0.40
	Trade Payable	597.33	594.43	2.90
31 March 2023	Inventory	1,655.11	1,628.33	26.77
	Trade Receivable	1,032.04	1,012.03	20.01
	Trade Payable	644.70	614.76	29.93

Quarter end date	Particulars	Amount as per books of account	Amount as per books of account	
			Amount as reported	Amount of difference
30 June 2023	Inventory	1,647.03	1,648.37	(1.35)
	Trade Receivable	1,026.82	1,026.82	-
	Trade Payable	627.33	626.55	0.77
30 September 2023	Inventory	1,660.91	1,660.91	-
	Trade Receivable	1,040.27	1,040.27	-
	Trade Payable	604.66	604.66	-
31 December 2023	Inventory	1,614.63	1,616.05	(1.41)
	Trade Receivable	1,086.93	1,086.93	-
	Trade Payable	636.69	636.68	0.00
31 March 2024	Inventory	1,732.04	1,732.04	(0.00)
	Trade Receivable	1,085.62	1,084.74	0.88
	Trade Payable	784.21	784.29	(0.09)

Quarter end date	Particulars	Amount as per books of account	Amount as per books of account	
			Amount as reported	Amount of difference
30 June 2024	Inventory	1,620.47	1,620.52	(0.05)
	Trade Receivable	1,097.73	1,097.73	-
	Trade Payable	669.83	669.86	(0.03)
30 September 2024	Inventory	1,669.10	1,669.10	-
	Trade Receivable	1,103.83	1,103.89	(0.06)
	Trade Payable	716.92	716.92	-
31 December 2024	Inventory	1,742.43	1,742.43	-
	Trade Receivable	1,064.82	1,064.83	(0.01)
	Trade Payable	698.29	698.32	(0.03)
31 March 2025	Inventory	1,861.33	1,861.33	-
	Trade Receivable	1,102.07	1,102.07	-
	Trade Payable	916.82	916.82	-

The quarterly returns/statement of current assets as submitted to banks compared to books of accounts reflected material discrepancies in above mentioned quarters as the Company had not provided the details of trade receivables exceeding the credit period provided in the sanction and trade payables which are not covered under the credit facilities have been excluded while providing the details to the bank.

Further, the quarterly returns/statement of current assets submitted to banks were prepared before incorporating the impact of certain adjustments pertaining to cut off of revenue and purchase, as the company did not have a formal quarterly closing process for its books of accounts.



## Ratio Analysis

Particulars	Numerator/Denominator	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023	Change in% for 31 March 2025	Change in % for 31 March 2024	Change in % for 31 March 2023
(a) Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	1.33	1.33	1.39	0.33	0.33	0.39
(b) Debt-Equity Ratio	$\frac{\text{Total Debts}}{\text{Equity}}$	0.97	1.18	1.36	-0.03	0.18	0.36
(c) Debt Service Coverage Ratio	$\frac{\text{Earning available for Debt Service}}{\text{Interest + Installments}}$	1.10	0.77	0.99	0.10	-0.23	-0.01
(d) Return on Equity Ratio	$\frac{\text{Profit after Tax}}{\text{Average Shareholder's Equity}}$	0.10	0.09	0.06	-0.90	-0.91	-0.94
(e) Inventory turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Inventories}}$	3.75	3.86	3.30	2.75	2.86	2.30
(f) Trade receivables turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Account Receivable}}$	6.16	6.18	5.34	5.16	5.18	4.34
(g) Trade payables turnover ratio	$\frac{\text{Total Purchases}}{\text{Average Account Payable}}$	1.52	1.99	1.91	0.52	0.99	0.91
(h) Net capital turnover ratio	$\frac{\text{Total Turnover}}{\text{Average Working Capital}}$	1.99	1.96	1.58	0.99	0.96	0.58
(i) Net profit ratio	$\frac{\text{Net Profit}}{\text{Total Turnover}}$	0.03	0.02	0.02	-0.97	-0.98	-0.98
(j) Return on Capital employed	$\frac{\text{Earning before interest and taxes}}{\text{Capital Employed}}$	0.22	0.19	0.16	-0.78	-0.81	-0.84
(k) Return on Investment	$\frac{\text{Net Profit}}{\text{Cost of Investment}}$	0.08	0.06	0.04	-0.92	-0.94	-0.96



2 Reconciliation of profit or loss and other comprehensive income/(loss) for the year ended 31 March 2024 31 March 2023

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
Profit as per Indian GAAP		139.77	110.37
<b>Adjustments:</b>			
<b>Ind AS adjustments</b>			
Fair value gain on Investments	23-29	1.12	0.04
Hedging gain/(loss)	23-29	(0.34)	(1.26)
Interest on MSME	23-29	(1.34)	(0.35)
Acturial gain	31	2.72	3.73
Adjustment for employee benefit exp as per Actuary	31	(2.72)	(3.73)
ECL	23-29	(0.18)	0.12
Deffered tax adjustment		1.67	(10.65)
Reclassification of expenses	23-29		(0.06)
Discounting of capital advances / loss on int income	23-29	(3.59)	(4.20)
Tuff subsidy written off			
<b>Other IGAAP adjustments</b>			
Pre-IPO expense w/off			
<b>Total Adjustments</b>		(2.66)	(16.36)
<b>Profit as per Ind AS</b>		<b>137.12</b>	<b>94.01</b>



Reconciliations between the restated financial information and audited financial statements (IGAAP) of the Company

1 Reconciliation of total equity as at 31 March 2024 31 March 2023

Particulars	Notes	As at 31 March 2024	As at 31 March 2023
<b>Total equity (shareholder's funds) as per audited IGAAP Financials</b>		1672.74	1532.97
<b>Adjustments:</b>			
<b>Ind AS adjustments</b>			
Fair value gain on Investments	23-29	1.12	0.04
Hedging gain/(loss)	23-29	(0.34)	(1.26)
Interest on MSME	23-29	(1.34)	(0.34)
Actuarial gain	31	2.72	3.73
Adjustment for employee benefit exp as per Actuary	31	(2.72)	(3.74)
Preference share capital			
ECL	23-29	(0.18)	0.12
Deffered tax adjustement		1.68	(10.65)
Reclassification of expenses	23-29		(0.06)
Discounting of capital advances / loss on int income	23-29	(3.59)	(4.20)
write of tuff subsidy			
Opening adjustments		(28.63)	(12.27)
<b>Other IGAAP adjustments</b>			
Pre-IPO expense w/off			
Adjustment of DTA/DTL			
<b>Total Adjustments</b>		<b>(31.29)</b>	<b>(28.63)</b>
<b>Total equity as per restated financial information</b>		<b>1641.45</b>	<b>1504.34</b>



**I. Exemptions applied:**

**1. Mandatory exceptions:**

**a) Estimates**

On assessment of the estimates made under the previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date. Key estimates considered in preparation of financial statements that were not required under the previous GAAP are listed below:

- Determination of the discounted value for financial instruments carried at amortised cost
- Impairment of financial assets based on the expected credit loss model

**b) Classification and measurement of financial assets:**

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as at the date of transition. Further, the standard permits measurement of financial assets accounted at amortised cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of financial assets accounted at amortised cost has been done retrospectively except where the same is impracticable.

**2. Optional exemptions:**

**a) Deemed cost for property, plant and equipment**

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statement as at the date of transition to Ind AS, measured as per previous GAAP and used that as its deemed cost as at the date of transition after making necessary adjustment for decommissioning liabilities. Accordingly, the Company has elected to measure all of its property, plant and equipment at their previous GAAP carrying value as at transition date 1 April 2022. The Group has followed the same accounting policy choices (both mandatory exceptions and optional exemptions) as per Ind AS 101 as initially adopted on the transition date i.e. 1 April 2022 while preparing the Restated Consolidated Financial Information. For the purpose of financial statements as at 01 April 2022 the Company has provided the depreciation based on the estimated useful life of respective years.

The Company also applied the available practical expedients wherein it:

- a) Used a single discount rate to a portfolio of leases with reasonably similar characteristics.
- b) Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application.
- c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

**II. Reconciliation of total comprehensive income between previous GAAP and Ind AS**

Particulars	As at 31 March 2024			As at 31 March 2023		
	Previous GAAP#	Transition to Ind AS	Restated Ind AS	Previous GAAP#	Ind AS	Restated Ind AS
(i) Revenue from operations						
(ii) Other income	6,544.40	(0.18)	6544.22	5,441.58	(0.27)	5,441.31
(iii) Total income [(i) + (ii)]	6,544.40	(0.18)	6544.22	5,441.58	(0.27)	5,441.31
(iv) Expenses						
Cost of materials consumed						
Purchase of stock in trade	4,207.88	388.04	4,595.92	3,522.58	119.67	3,642.25
Changes in inventories of finished goods, work-in-progress and stock-in-trade	630.75	(630.75)	-	355.09	(355.09)	-
Employee benefits expense	(41.99)	-	(42)	(18.96)	-	(18.96)
Finance costs	379.24	2.73	381.97	352.67	3.46	356.13
Depreciation	240.80	1.34	242	247.83	0.34	248.17
Other expenses	110.82	-	110.82	108.40	-	108.40
Total expenses (iv)	838.26	266.61	1,104.87	769.96	239.57	1,009.53
(v) Profit before tax [(iii)-(iv)]	6,763.94	(27.96)	6,735.98	5,337.57	(7.94)	5,345.52
(vi) Profit after tax [(v)-(vii)]	185.03	(7.21)	177.82	109.18	(9.45)	99.73
(vii) Exceptional Items						
(viii) Tax expense:						
Current tax - Income Tax Current year	42.09	-	42.09	30.79	-	30.79
Current tax - Income Tax Previous year	1.69	-	1.69	0.59	(0.61)	0.58
Deferred tax	1.48	(1.66)	(0.18)	(32.56)	10.65	(21.91)
MAIT Credit	-	-	-	-	-	-
Total tax expense	45.26	(1.66)	43.60	(1.19)	10.64	9.45
(ix) Profit for the year [(v)-(viii)]	139.77	(5.55)	134.22	110.36	(20.09)	90.28
(x) Other comprehensive income						
Items that will not be reclassified to profit or loss						
Re-measurement (losses) on defined benefit plans		2.72	2.72		3.73	3.73
Income tax relating to items that will not be reclassified to profit or loss						
Total other comprehensive income		2.72	2.72		3.73	3.73
(xi) Total comprehensive income for the year [(ix)+(x)]	139.77	(2.84)	136.93	110.36	(16.36)	94.00

# The previous GAAP figures have been reclassified to conform to presentation requirements of Ind AS Schedule III amendments for the purpose of this note.  
\* includes impact of prior year restatement

- a Under Ind AS, mutual fund investments are measured at fair value through profit or loss (FVTPL), resulting in unrealized gains being recognized in the financial statements. Similarly, hedge accounting under Ind AS 109 has led to recognition of mark-to-market gains on designated hedging instruments, contributing to the variance.
- b Purchases of fabric cloth and towels have been reclassified from 'Purchase of Stock-in-Trade' (under Previous GAAP) to 'Cost of Materials Consumed' under Ind AS, in line with their use in the manufacturing process and in accordance with Ind AS 2.
- c Packing material costs, earlier classified under 'Cost of Materials Consumed' as per Previous GAAP, have been reclassified to 'Other Expenses' under Ind AS, considering their nature as indirect materials used in the selling and distribution process.
- d The difference is attributable to actuarial valuation adjustments recognised in accordance with Ind AS 19 - Employee Benefits.
- e The variance is due to the recognition of interest on delayed payments to MSME creditors, as mandated under the MSMEI Act, 2006.
- f The difference is due to recognition of provision for doubtful debts in accordance with Ind AS 109 - Financial Instruments and reclassification of packaging expenses and writing-off Pre-IPO expenses.
- g The difference is primarily on account of changes in the computation of Deferred Tax Assets and Liabilities in accordance with Ind AS 12.
- h The difference is due to reclassification of certain items of income and expenses in accordance with the presentation and disclosure requirements of Ind AS.



III. Reconciliation between previous GAAP and Ind AS

Particulars	As at 31 March 2024				As at 31 March 2023					
	Previous GAAP#	Prior year restatement	Transition to Ind AS	Restated Ind AS	Previous GAAP#	Ind AS	Prior year restatement	Transition to Ind AS	Restated Ind AS	
<b>Assets</b>										
<b>Non-current assets</b>										
(a) Property, plant and equipment	1,251.40		0.00	1,251.40	1,041.80			0.02	f	1,041.82
(b) Capital Work in Progress	82.19		(51.19)	a	221.51			(50.75)	a	170.76
(c) Financial assets										
(i) Investments	23.25		(6.41)	a,b	21.91			(4.72)	a,b	17.19
(ii) Other Financial Assets	23.54		64.38	a	23.54			56.22	a	79.76
(d) Other non-current assets	0.4		43.00	a,c	0.40			46.18	a,c	46.58
<b>Total non-current assets</b>	<b>1,380.78</b>	<b>-</b>	<b>49.79</b>		<b>1,309.15</b>	<b>-</b>	<b>-</b>	<b>46.96</b>		<b>1,356.11</b>
<b>Current assets</b>										
(a) Inventories	1,732.04		0.00		1,655.10			(0.00)		1,655.10
(b) Financial assets										
(i) Trade receivables	1,085.64		(0.23)	d	1,032.04			(0.05)	d	1,031.99
(ii) Cash and cash equivalents #	8.29		(0.48)	a	21.73			(0.01)	f	21.72
(iii) Bank balances other than (ii) above	67.30		(40.82)	a	53.32			(34.00)	a	19.32
(iv) Other financial assets	16.32		(14.21)	e	17.88			(15.59)	e,a	2.29
(c) Current Tax Asset (Net) #	111.80		(0.01)		49.30					49.30
(d) Other current assets	205.12		105.27	a,e,g	309.34			(12.74)	a,e,p	296.60
<b>Total current assets</b>	<b>3,226.50</b>	<b>-</b>	<b>49.53</b>		<b>3,138.70</b>	<b>-</b>	<b>-</b>	<b>(62.39)</b>		<b>3,076.32</b>
<b>Total assets</b>	<b>4,607.28</b>	<b>-</b>	<b>99.32</b>		<b>4,447.85</b>	<b>-</b>	<b>-</b>	<b>(15.43)</b>		<b>4,432.42</b>
<b>Equity and liabilities</b>										
<b>Equity</b>										
(a) Equity share capital	1,293.18		-		1,293.18			-		1,293.18
(b) Other equity	379.56		(31.29)	j	239.79			(28.63)	j	211.16
<b>Total equity</b>	<b>1,672.74</b>	<b>-</b>	<b>(31.29)</b>		<b>1,532.97</b>	<b>-</b>	<b>-</b>	<b>(28.63)</b>		<b>1,504.34</b>
<b>Liabilities</b>										
<b>Non-current liabilities</b>										
(a) Financial liabilities										
(i) Borrowings	518.64		0.26	a	518.90			0.64	a	646.36
(b) Provisions	45.79		(2.99)	a	42.80			(2.46)	a	37.51
(c) Deferred tax liability	55.32		(17.33)	g	37.99			(29.07)	g	24.77
(d) Other non current liabilities	2.52		(0.27)	a	2.25			(0.63)	a	3.09
<b>Total non-current liabilities</b>	<b>622.27</b>	<b>-</b>	<b>(20.32)</b>		<b>601.95</b>	<b>-</b>	<b>-</b>	<b>(31.52)</b>		<b>711.73</b>
<b>Current liabilities</b>										
(a) Financial liabilities										
(i) Borrowing	1,417.62		(0.52)	a,f	1,417.10			0.00		1,397.54
(iii) Trade payables										
- total outstanding dues of micro and small enterprises	30.93		-		30.93			-		23.75
- total outstanding dues of creditors	753.28		(83.10)	a	670.18			(185.06)	a	435.88
(iv) Other financial liabilities	-		225.95	a	225.95			223.06	a	223.06
(b) Other current liabilities	12.94		51.45	a	64.39			75.18	a	95.33
(c) Provisions	97.50		(42.85)	a,h	54.65			(68.46)	a,h	40.79
<b>Total current liabilities</b>	<b>2,312.27</b>	<b>-</b>	<b>150.93</b>		<b>2,463.20</b>	<b>-</b>	<b>-</b>	<b>44.73</b>		<b>2,216.35</b>
<b>Total liabilities</b>	<b>2,934.54</b>	<b>-</b>	<b>130.60</b>		<b>2,914.88</b>	<b>-</b>	<b>-</b>	<b>13.20</b>		<b>2,928.08</b>
<b>Total equity and liabilities</b>	<b>4,607.29</b>	<b>-</b>	<b>99.32</b>		<b>4,447.85</b>	<b>-</b>	<b>-</b>	<b>(15.43)</b>		<b>4,432.42</b>

# The previous GAAP figures have been reclassified to conform to presentation requirements of Ind AS/Schedule III amendments for the purpose of this note

\* includes impact of prior year restatement. Also, refer to note 41(IV)(e).

Notes to reconciliations:

- a The difference arises due to proper classification of items as per Ind AS at the time of transition, in accordance with Ind AS 1, without impacting the overall financial position
- b The difference is primarily on account of recording investments at fair value in accordance with Ind AS 109 – Financial Instruments, and reclassification of certain assets from
- c The difference arises due to the write-off of Pre-IPO expenses in accordance with Ind AS requirements
- d The difference is due to recognition of provision for doubtful debts in accordance with Ind AS 109 – Financial Instruments
- e The difference is due to the recognition of hedging gain receivable in accordance with Ind AS 109 – Financial Instruments and reclassification of a balance in accordance with
- f Differences are due to rounding off and do not materially affect the financial statements
- g MAT is adjusted against deferred tax liabilities to the extent it is expected to be utilised, leading to a change in presentation and classification under Ind AS
- h The variance is due to the recognition of provision for interest on delayed payments to MSME creditors, as mandated under the MSMED Act, 2006
- i The difference is primarily on account of changes in the computation of Deferred Tax Assets and Liabilities in accordance with Ind AS 12
- j The difference in equity is due to the cumulative effect of all Ind AS adjustments reflected in the Profit and Loss reconciliation



**STATEMENT OF TAX SHELTER**

Particulars	As at 31.03.2024	As at 31.03.2023
Net Profit/(Loss) before taxes (A)	178.00	99.73
Tax Rate Applicable %	35%	33%
Minimum Alternate Taxes (MAT)	16.69%	16.69%
<b>Adjustments</b>		
Add: Depreciation as per Companies act	110.82	108.40
Disallowance/ Allowance under Income Tax Act, 1961	14.63	11.56
Ind AS adjustment	-30.66	4.39
Less: Taxable under other heads of income		
Less: ICDS Impact	-	-
Less: Deductions under Income Tax Act, 1961	-158.88	-131.88
Less : Deferred Tax Credit Adjusted for computation of Tax under 115JB of Income Tax Act		
<b>Net Adjustments(B)</b>	<b>-64.10</b>	<b>-7.52</b>
<b>Business Income (A+B)</b>	<b>113.90</b>	<b>92.21</b>
Income from Capital Gains		
Sp <sup>ts</sup> Consideration	-	-
Less: Cost of Acquisition	-	-
Long/ Short Term Capital Gain	0.34	-
Less: Brought Forward Capital Gain		-
Income from Other Sources (Interest Income)	6.23	-
Interest on Income Tax Refund	-	-
Interest on security Deposit	-	-
Damages and claims received	-	-
Gross Total/ Taxable Income	120.47	92.21
Less: Deductions U/S 80JJAA	-	
<b>Net Total/ Taxable Income</b>	<b>120.47</b>	<b>92.21</b>
Unabsorbed Depreciation	-	
Tax Payable as per Normal Rate	42.10	30.78
Tax Payable as per Special Rate:	-	
Interest payable on above	-	-
Tax as per Income Tax (C)	42.10	30.78
Adjusted Book Profits for Computation of MAT U/s 115JB	185.05	109.17
Payable as per Minimum Alternate Tax U/S 115 JB of the Income Tax Act,1961	29.71	18.22
Interest Payable on above		-
Tax as per MAT (D)		-
<b>Net Tax</b>	<b>42.09</b>	<b>30.78</b>
<b>Current tax as per restated Statement of Profit &amp; Loss</b>	<b>42.09</b>	<b>30.79</b>



T.C TERRYTEX LIMITED

T.C TERRYTEX LIMITED

Notes forming part of the Audited Financial Statements

**1. COMPANY INFORMATION**

T.C TERRYTEX LIMITED (herein after referred to as the "the Company") is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act, 2013. The registered office of the company is located at Village Sarsini, near Lalru, Tehsil Dera Bassi, District SAS Nagar, Punjab, India, 140501. The Company is primarily engaged in manufacturing of wide range of high quality terry towelling products.

**2. Statement of compliance**

The Financial Statements are prepared in accordance with the Indian Accounting Standards (referred to as Ind AS) notified under the section 133 of the Act ('the Act') read with the Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, considering other relevant provisions of the Act.

**3. SIGNIFICANT ACCOUNTING POLICIES**

**a. Basis of Preparation**

Up to the year ended 31st March 2025, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standard notified under the Companies (Accounting Standards) Rules, 2006. These are the Company's first Ind AS Financial statements. The date of transition to Ind AS is April 1, 2022. Refer Note 40 for the details of first-time adoption exemptions availed by the Company.

The financial statements comply with Ind AS notified by the Ministry of Corporate Affairs ('MCA'). The Company has consistently applied the accounting policies used in the preparation of its opening Ind AS Balance Sheet at 1st April, 2022 throughout all periods presented, as if these policies had always been in effect and are covered by Ind AS 101 "First-time adoption of Indian Accounting Standards".

The Audited Financial Information of the Company, comprises of the Audited Statements of Assets and Liabilities as at March 31, 2025 and March 31, 2024 and 2023 the Audited Statements of Profit and Loss (including Other Comprehensive Income), the Audited Statements of Cash Flows and the Audited Statement of Changes in Equity for the year ended March 31, 2025 and for the years ended March 31, 2024 and 2023 and the Summary of Material Accounting Policies and explanatory notes.

**b. Use of estimates**

The preparation of these Financial Statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions in application of accounting policies 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 recognized 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) Useful lives of property, plant and equipment**

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

**(ii) Fair value measurement of financial instruments**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs

**(iii) Provision for income tax and deferred tax assets**

The Company uses estimates and judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances and disallowances which is exercised while determining the provision for income tax. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying



(iv) Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best

The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are recognised when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the standalone financial statements.

c. Property, Plant and Equipment

Under the previous GAAP, property, plant and equipment were carried at historical cost less depreciation and impairment losses, if any. On transition to Ind AS, the Company has availed the optional exemption under Ind AS 101 and accordingly it has used the carrying value as at the date of transitions as the deemed cost of the property, plant & equipment under Ind AS.

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

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. Advances paid towards the acquisition of PPE outstanding at each reporting date is classified as Capital Advances under "Other Non-Current

Depreciation on the property, plant and equipment (other than capital work in progress) is provided on a written down value method (WDV) over their useful lives which is in consonance of useful life mentioned in Schedule II to

Depreciation methods, useful lives and residual values, determined based on internal technical evaluation are reviewed at each financial year end and adjusted prospectively.

An item of property, plant and equipment and any significant part initially recognized is de-recognized 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-recognized.

d. Leases

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognized as expense on a straight-line basis over the lease term.

e. Impairment

At the end of each reporting period, the Company assesses, whether there is any indication that an asset may be impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use.

f. 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



## Financial Assets

### Initial recognition and measurement

All regular way purchases or sales of financial assets are recognized and derecognized 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 recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

### Classifications

The Company classifies its financial assets as subsequently measured at either amortised cost or fair value through other comprehensive income (FVOCI) or fair value through Profit and Loss Account (FVTPL) on the basis of either Company's business model for managing the financial assets or Contractual cash flow characteristics of the financial assets.

### Business model assessment

The company makes an assessment of the objective of a business model in which an asset is held at an instrument level because this best reflects the way the business is managed and information is provided to management.

### Debt instruments at amortised cost

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):

- It is held within a business model whose objective is to hold assets in order to collect contractual
- The contractual terms of the financial asset represent contractual cash flows that are solely

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.

However, the Company's borrowings have been measured at the transaction value and not using the Effective Interest Rate (EIR) method as prescribed under Ind AS 109, since the processing charges and transaction costs incurred were immaterial. In applying Ind AS 1, the Company considered the concept of materiality (paragraph 7) and concluded that the omission of amortisation of such insignificant costs does not influence the economic decisions of users of the financial statements. Further, in line with paragraph 30A, the Company has disclosed the relevant terms and conditions of its borrowings to the extent necessary for users to understand their nature and

### Debt instrument at fair value through Other Comprehensive Income (FVOCI)

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 recognized 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

### Debt instrument at fair value through profit and 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

### 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 recognized at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.



#### **Derecognition of financial assets**

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 recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized 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 recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the sum of the consideration received for the part no longer recognized and any cumulative gain or loss allocated to it that had been recognized in other comprehensive income is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on

#### **Impairment of financial assets**

The Company has evaluated its trade receivables for impairment in accordance with the simplified approach prescribed under Ind AS 109 – Financial Instruments, which requires the recognition of Expected Credit Losses (ECL) on all trade receivables.

Based on the nature of its customer base and historical experience, the Company has no significant record of defaults on trade receivables. Accordingly, the Company has not created a detailed ECL matrix or model for all receivables.

#### **Financial liabilities**

##### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss,

All financial liabilities are recognised initially at fair value and, in the case of amortised cost, net of directly

##### **Subsequent measurement**

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

##### **Financial Liabilities 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

##### **Financial liabilities at fair value through profit or loss**

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognized 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.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not

##### **Financial guarantee contracts**

Financial guarantee contract issued by the Company is contracts that require a payment to be made to reimburse the holder for a loss it incurs because, the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109, and the transaction amount recognised less cumulative amortisation.



#### **Derecognition 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

#### **Reclassification of financial assets**

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 recognized gains, losses (including impairment gains or losses) or interest.

#### **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 recognized amounts and there is an intention to settle on a net basis,

#### **g. Investments**

Investment property is a property held to earn rentals and capital appreciation. Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured in accordance with Ind AS 16's requirements for cost model.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

#### **h. Employee Benefits**

##### **(i) Post-employment benefit plans**

The Company has defined benefit plans comprising of gratuity and other long-term benefits in the form of leave benefits. Company's obligation towards gratuity liability is unfunded. The present value of the defined benefit obligations and other long term employee benefits 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, (b) the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and (c) the return on plan assets (excluding amounts included in net interest on the post-employment benefits liability) are recognized immediately in the balance sheet with a corresponding debit or credit to the other comprehensive income in the period in which

##### **Defined contribution plan**

Gains or losses on the curtailment or settlement of defined benefit plan are recognized 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 employee benefit plan (other than gratuity) are recognized immediately in the Statement of Profit

##### **(ii) Other 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.



**Revenue recognition**

(a) Revenue from operations:

(a) Interest income

(a) Other income

(a) Variable Consideration

In assessing whether it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur once the uncertainty related to the variable consideration is subsequently resolved, an entity shall consider both the likelihood and the magnitude of the revenue reversal. Factors that could increase the likelihood or the magnitude of a revenue reversal include, but are not limited to, any of the following:

(a) the amount of consideration is highly susceptible to factors outside the entity's influence. Those factors may include volatility in a market, the judgement or actions of third parties, weather conditions and a high risk of obsolescence of the promised good or service.

(b) the uncertainty about the amount of consideration is not expected to be resolved for a long period of time.

(c) the entity's experience (or other evidence) with similar types of contracts is limited, or that experience (or other evidence) has limited predictive value.

**Employee benefits**

**Short term employee benefits**

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Accumulated compensated absences which are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are treated as short-term benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

**Defined contribution plans**

Obligations for contributions to defined contribution plans are expensed as the related service is provided. The company has following defined contribution plans:

**(i) Provident fund**

The Company makes specified monthly contributions towards Provident Fund and Employees State Insurance Corporation ('ESIC'). The contribution is recognized as an expense in the Statement of Profit and Loss during the period in which employee renders the related service.

**Defined benefit plans**

The company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The company recognises

The company has following defined benefit plans:

**Gratuity**

The company provides for its gratuity liability based on actuarial valuation of the gratuity liability as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary. The defined benefit obligation as reduced by fair value of plan assets is recognized in the Balance Sheet. Remeasurements are recognized in the Other Comprehensive Income, net of tax in the year in which they arise.



#### Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurements are recognised in profit or loss in the period in which they arise.

#### k Taxation

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.

##### Current tax

Current tax is measured at the amount of tax expected to be payable on the taxable income for the year and any adjustments to the tax payable or receivable in respect of previous years as determined in accordance with the provisions of the Income Tax Act, 1961 that have been enacted or subsequently enacted at the end of the reporting period.

Current tax assets and current tax liabilities are offset when there is legally enforceable right to set off the recognized amounts and there is an intention to settle the asset and the liability on a net basis or simultaneously.

##### Deferred tax

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 recognized for all taxable temporary differences, and deferred tax assets are recognized 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.

##### Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

#### l Foreign currency transactions

Transactions in foreign currencies are initially recorded by the Company in its functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange difference that arises on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income or expenses in the period in which they arise. Non-monetary items that are measured in terms of historical cost in a

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI, or the statement of profit and loss are also recognized in OCI or the statement of profit and loss, respectively).

#### m Inventories

Inventories consists of stock of trading goods and goods in transit. The stock of finished goods are valued at lower of cost and net realizable value.

The cost of inventory is determined using Weighted average cost and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the

The stock of 'Goods in transit' are valued at cost.



n Provisions

A provision is recognized 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 recognized as a finance cost. These are reviewed at each balance sheet

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.

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

o Cash and cash equivalents

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.

p Earnings per share

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



**T.C TERRYTEX LIMITED**

**Annexure VII - Statement of Adjustments to the Audited Financial information**

**Note to adjustment:**

**1. Adjustments for audit qualification: None**

**2. Material regrouping**

Appropriate adjustments have been made in the restated consolidated financial information, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the Division II Ind AS Schedule III of the Companies Act, 2013 ('the Act') and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended). Accordingly, the Company has presented the Restated consolidated financial information as at 01 April 2022 following the requirements of Schedule III of the Act. As a result of amendment to Schedule III, deposits have been reclassified to other financial assets which was earlier forming part of loans and current maturities of long term borrowings are now presented as current borrowings which was earlier forming part of other financial liabilities.

**3. Material restatement adjustments**

**a. Leases**

Under previous GAAP, lessee classified a lease as an operating or a finance lease based on whether or not the lease transferred substantially all risk and rewards incident to the ownership of an asset. Operating lease were expensed in the statement of profit and loss. Under Ind AS 116, all arrangement that fall under the definition of lease except those for which short-term lease exemption or low value exemption is applied, the Group has recognized a right-of-use assets and a lease liability on the lease commencement date. Right-of-use assets is amortised over the lease term on a straight line basis and lease liability is measured at amortised cost at the present value of future lease payments.

**c. Revenue from contracts with customers:**

Under Previous GAAP, revenue is recognised when the seller has transferred the property in goods. Under Ind AS 115, Revenue from sale of goods is recognised over time for the contracts where the performance obligation is completed as the goods that are made to the specification of the customer and the seller is entitled to reimbursement of the costs incurred to date along with a reasonable margin if the contract is terminated by the customer. Uninvoiced amounts are presented as unbilled receivables within trade receivables.

**d. Deferred tax**

Under Previous GAAP, deferred taxes were recognized for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognized using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of the other Ind AS transitional adjustments lead to temporary differences. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or through other comprehensive income.

**e. Others**

(i) Under its previous GAAP, the Company discovered that certain adjustments pertaining to cut off of revenue and purchase at year end, overhead loading in inventories, accrual of bonus, accrual of interest towards MSME vendors and estimate of long term employee benefits on the basis of actuarial valuation were erroneously omitted. This resulted in an adjustment to the affected financial statement line items for prior years that is not the result of a change in accounting policy.

(ii) Leasehold land earlier presented under property, plant and equipment has been regrouped under Right-of-use assets in the balance sheet. There is no impact of the same on the total equity as at 01 April 2022 and total comprehensive income as at 01 April 2022.

**4. Non-adjusting items:**

**a. Audit qualifications for the respective years, which do not require any adjustments in the restated consolidated summary statements are as follows:**

- 1) There are no audit qualification in auditor's report for the years ended 31 March 2023.
- 2) There are no audit qualification in auditor's report for the years ended 31 March 2024.
- 3) There are no audit qualification in auditor's report for the years ended 31 March 2025.

**b. Emphasis of matters in the Auditors' report which do not require any corrective adjustments in the Restated Financial Information**

- 1) There are no audit qualification in auditor's report for the years ended 31 March 2023.
- 2) There are no audit qualification in auditor's report for the years ended 31 March 2024.
- 3) There are no audit qualification in auditor's report for the years ended 31 March 2025.

**c. Audit Qualifications in Annexure to Auditors' Report, which do not require any corrective adjustments in the Restated Financial Information**

In addition to the audit opinion on the consolidated financial statements, the auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2016 ("the CARO 2016 Order") issued by the Central Government of India under sub-section (11) of Section 143 of Companies Act, 2013 on the standalone financial statements as at and for the financial years ended 31 March 2022. Certain statements/comments included in the CARO in the consolidated and standalone financial statements, which do not require any adjustments in the Restated Consolidated Financial Information are reproduced below in respect of the financial statements presented.

**As at 01 April 2022**

**Clause (i)(c) of CARO 2016 Order**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of Company

**Clause (vii) (a) of CARO 2016 Order**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Employee's State Insurance, Goods and Services Tax ('GST'), Income-tax, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there have been slight delays in few cases of Income Tax, Provident fund and GST during the year.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employee's State Insurance, Income-tax, GST, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable except as follows:

**Clause (vii)(b) of CARO 2016 Order**

According to the information explanations given to us, there are no dues of Sales tax, Value Added Tax, Income Tax, Service-Tax, Cess, Duty of Excise and Duty of Customs which have not been deposited with the appropriate authorities on account of any dispute:

