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MAHALAXMI FABRIC MILLS LIMITED

34th

ANNUAL REPORT

2024-25

MAHALAXMI FABRIC MILLS LIMITED

(Formerly known as "Sonnet Colours Pvt Ltd")

(CIN:- L17100GJ1991PLC015345)

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Jeetmal B. Parekh	(DIN:- 00512415)	Chairman Non-Executive-Non-Independent Director
Shri Rahul J. Parekh	(DIN:- 00500328)	Non Executive - Independent Director
Shri Anand J. Parekh	(DIN:- 00500384)	Managing Director
Smt. Sangita S. Shingi	(DIN:- 06999605)	Non-Executive-Independent Director (W.e.f. 18/04/2024)
Smt. Indra B. Singhvi	(DIN:- 07054136)	Non-Executive-Independent Director (W.e.f. 18/04/2024)
Shri Nehal M. Shah	(DIN:- 00020062)	Non-Executive-Independent Director (W.e.f. 18/04/2024)

CHIEF FINANCIAL OFFICER
Smt. Rajshree Raol

COMPLIANCE OFFICER
Smt. Heer Yuraj Pandya
(ICSI Membership No.:- A64319)

STATUTORY AUDITORS
M/s. Bhanwar Jain & Co.
(Firm Registration No.:- 117340W)

INTERNAL AUDITORS
M/s. D. Trivedi & Associates
(Firm Registration No.:- 0128309W)

SECRETARIAL AUDITOR
M/s. Malay Desai & Associates
(Membership No:- A48838 and CoP No.:- 26051)

REGISTERED OFFICE
"Mahalaxmi House",
YSL Avenue, Opp. Ketav Petrol Pump,
Polytechnic Road, Ambawadi,
Ahmedabad – 380 015.

FACTORY
Mahalaxmi Fabric Mills limited
Isanpur Road, Near Narol Char Rasta,
Narol, Ahmedabad – 382 405.

REGISTRAR & SHARE TRANSFER AGENT
MUFG Intime India Private Limited
5th Floor, 506-508, Amarnath Business Centre-1, (Abc-1),
Beside Gala Business Centre,
Near St Xavier's College Corner,
Off C G Road, Ellisbridge,
Ahmedabad – 380006.

BANKER
Bank of Baroda

WEBSITE
www.mahalaxmigroup.net/MFML

LISTED, ON 27TH AUGUST, 2024, AT
BSE Limited
National Stock Exchange of India Limited

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CIN:- L17100GJ1991PLC015345
Registered office:- "Mahalaxmi House", YSL Avenue, Opp. Ketav Petrol Pump, Polytechnic Road, Ambawadi, Ahmedabad – 380 015, Gujarat.
Website:- www.mahalaxmigroup.net/MFML; Ph. No.:- 079 – 4000 8000; E-mail Id:- cs@mahalaxmigroup.net

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 34th Annual General Meeting ("AGM") of Mahalaxmi Fabric Mills Limited will be held, through Video Conferencing ("VC") / Other Audio-Visual Means ("OVAM"), on Saturday, the 23rd Day of August, 2025, at 2.30 p.m., to transact the following businesses:-

ORDINARY BUSINESSES:-

1. **TO RECEIVE, CONSIDER AND IF APPROVED, ADOPT THE AUDITED (STANDALONE AND CONSOLIDATED) FINANCIAL STATEMENT OF THE COMPANY, FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2025 AND THE REPORTS OF THE BOARD AND AUDITORS THEREON:-**

   In this regard, to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:-

   "RESOLVED THAT the Audited (Standalone and Consolidated) Financial Statement of the Company, for the Financial Year ended on 31st March 2025, consisting of the Balance Sheet as at 31st March, 2025, the Statement of Profit & Loss, the Cash Flow Statement and Statement of Changes in Equity, for the Financial Year ended on that date and the Explanatory Notes annexed to or forming part thereof together with the Board's Report and Auditors Report thereon, be and are hereby adopted."

2. **TO APPOINT A DIRECTOR IN PLACE OF SHRI RAHUL J.PAREKH (DIN:- 00500328), WHO RETIRE BY ROTATION AT THIS AGM AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT:-**

   In this regard, to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:-

   "RESOLVED THAT pursuant to the Provisions of Section 152 & any other applicable provisions of the Companies Act, 2013, Shri Rahul J. Parekh (DIN:- 00500328), Director, liable to retire by rotation at this Annual General Meeting, being eligible and willing to offer himself for re-appointment, be and is hereby re-appointed as a Director of the Company."

3. **TO APPOINTMENT OF STATUTORY AUDITORS:-**

   In this regard, to consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:-

   "RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and subject to the approval of the Members, M/s. Jain Chowdhary & Co., Chartered Accountants (Firm Registration No. 113267W), be and are hereby appointed as the Statutory Auditors of the Company, for a term of five (5) consecutive years, commencing from the conclusion of the ensuing Annual General Meeting to be held in the year 2025 until the conclusion of the Annual General Meeting to be held in the year 2030, to audit the financial statements of the Company for the said period, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the said Auditors.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to file necessary forms with the Registrar of Companies and to do all such acts, deeds, matters and things as may be necessary to give effect to this resolution."

SPECIAL BUSINESSES:-

4. **TO RE-APPOINT SECRETARIAL AUDITOR**

   To consider and if thought fit, approve the appointment of M/s. Malay Desai & Associates, Practicing Company Secretaries as the Secretarial Auditors of the Company for a term of 5 (five) consecutive years and to pass with or without modification(s), the following resolution as an **Ordinary Resolution**

   "RESOLVED THAT pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof), and pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of the Members be and is hereby accorded for the reappointment of **Mr. Malay Desai**, Proprietor of **M/s. Malay Desai & Associates**, Practicing Company Secretary (Membership No.: A48838; COP No.: 26051), as the Secretarial Auditor of the Company for a term of five financial years commencing from **Financial Year 2025-26 up to Financial Year 2029-30**, for conducting:

   a) Secretarial Audit under Section 204 of the Companies Act, 2013;

   b) Issuance of Annual Secretarial Compliance Report under Regulation 24A of SEBI (LODR) Regulations, 2015; and

   c) Issuance of Reconciliation of Share Capital Audit Report under Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018,

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on such terms and remuneration as may be mutually agreed upon by the Board of Directors of the Company and Mr. Malay Desai.

RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) or the Company Secretary be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary or expedient to give effect to this resolution.

5. CONTINUATION OF MR. JEETMAL B. PAREKH (DIN: 00512415) AS NON EXECUTIVE DIRECTOR OF THE COMPANY WHO HAS ATTAINED THE AGE OF 75 YEARS:-

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

"**RESOLVED THAT** pursuant to the provisions of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), applicable provisions of the Companies Act, 2013 read with the relevant rules made thereunder, and other applicable laws, rules, regulations, and guidelines (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and based on the recommendation of the Board of Directors and the justification set out in the Explanatory Statement annexed hereto, the approval of the Members of the Company be and is hereby accorded for the continuation of Mr. Jeetmal Bhoorchand Parekh (DIN: 00512415) as Non- Executive Director on the Board of the Company, notwithstanding that he has attained the age of 75 (seventy-five) years, to hold office until the expiry of his current term.

RESOLVED FURTHER THAT any Director and/or the Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds, matters and things and to sign and file all necessary documents, forms, returns and papers as may be required with the Registrar of Companies, stock exchanges, or any other authority, and to do all such acts and take all such steps as may be necessary or desirable in this regard to give effect to this resolution."

BY ORDER OF THE BOARD OF DIRECTORS
FOR, MAHALAXMI FABRIC MILLS LIMITED

Sd/-
HEER YUVRAJ PANDYA
COMPANY SECRETARY
ICSI MEMBERSHIP NO.:- A64319

DATE: JULY 17, 2025
PLACE: AHMEDABAD

NOTES:-

1. The Ministry of Corporate Affairs ("MCA") issued the General Circular Nos.:- 14/2020 dated 08th April, 2020, 17/2020 dated 13th April, 2020, 20/2020 dated 05th May, 2020 and 09/2023 dated 25th September, 2023 , and latest being 09/2024 dated 19th September, 2024 (Collectively referred to as "the MCA Circulars") has allowed conducting Annual General Meeting through through VC/OAVM, without the physical presence of the Members at a common venue. The Securities and Exchange Board of India ("the SEBI") has also issued the Circular Nos.:- SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 07th October, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 issued by the Securities Exchange Board of India ("Collectively referred to as "the SEBI Circulars")") prescribing the procedures and manner of conducting the Annual General Meeting through VC/OVAM without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the SEBI Circulars, provisions of the Companies Act, 2013 ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI (LODR) Regulations, 2015"), In terms of the said circulars, the 34th Annual General Meeting ("AGM") of the Members will be held through VC/ OAVM, which does not require the physical presence of the Members. The deemed venue for the AGM shall be the Registered Office of the Company. In accordance with the MCA Circulars, Special Businesses mentioned at Item No. 4 and 5 of the Notice are considered as unavoidable in nature by the Board of Directors of the Company.
2. Since this AGM is being held through VC/OAVM, the physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of the Proxies by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to the Notice. However, a Body Corporate Member are entitled to appoint an Authorised Representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting. The Body Corporate Member intending to authorize its Representative to attend the AGM is requested to submit to the Company, a certified true copy of the Board Resolution/Authorization document, authorizing their Representative to attend and vote, on its behalf at the AGM.
3. The Register of Members and Transfer Book of the Company will remain closed from Saturday, the 16th day of August, 2025 to Saturday, the 23rd day of August, 2025 (Both days inclusive) for the purpose of 34th AGM.
4. The Company has engaged the services of MUFG Intime India Private Limited ("MUFG"), who is also a Registrar to an Issue and Share Transfer Agent ("RTA") of the Company, as the Authorized Agency for conducting the e-AGM, providing Remote E-Voting and E-voting facility for/during the AGM of the Company. The instruction for participation by the Members is given in the subsequent paragraphs.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the Quorum under Section 103 of the Act.
6. The Explanatory Statement setting out material facts, pursuant to Section 102 of the Act, Secretarial Standard – 2 on the General Meetings and Regulation 36 of the SEBI (LODR) Regulations, 2015, in respect of the Special Businesses mentioned at Item No. 4 of the Notice is annexed hereto.

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7. In compliance with the MCA Circulars and the SEBI Circulars, Notice of the AGM along with the Annual Report for the F.Y. 2024-25, is being sent only through electronic mode to those Members whose E-mail IDs are registered with the Company or National Securities Depository Limited ("NSDL")/Central Depository Services (India) Limited ("CDSL") ("the Depositories"). The Members may note that the Notice and the Annual Report for the F.Y. 2024-25 will also be available on the Company's website i.e. https://www.mahalaxmigroup.net/MFML; and on the website of the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") i.e. www.bseindia.com & www.nseindia.com, respectively.

8. The Notice of the 34th AGM of the Company, inter alia, indicating the process and manner of e-voting is being sent to the Members, whose e-mail IDs are registered with the Company/Depositories, for communication purposes. In case the Shareholder's e-mail ID is already registered with the Company/Depositories, login details for E-voting shall be sent on the registered E-mail IDs.

9. In case the Shareholder holding Shares in physical mode has not registered his/her E-mail ID with the Company/Depositories, He/ She may do so by sending a duly signed request letter to MUFG by providing Folio No. and Name of Shareholder at MUFG Intime India Private Limited (Unit:- Mahalaxmi Fabric Mills Limited), 5th Floor, 506-508, Amarnath Business Centre-I, (ABC-I), Beside Gala Business Centre, Nr. St. Xavier's College Corner Off C G Road, Ellisbridge, Ahmedabad – 380 009, Gujarat; Ph. No.:- 079 – 26465179; E-mail ID:- ahmedabad@linkintime.co.in.

10. In case the Shares held in demat mode, the Shareholder may contact the Depository Participant ("DP") and register the E-mail ID in the demat account as per the process followed and advised by the DP.

11. Brief resume of the Directors proposed to be appointed/reappointed, nature of expertise in functional areas, names of the Companies in which he/she hold Directorship and Membership/Chairmanship of the Board Committees and the Shareholding and other details, are hereto furnished as stipulated under Regulation 36 of the SEBI (LODR) Regulations, 2015 and other requisite information as per Secretarial Standards – 2 on the General Meetings are provided along with the Notice.

12. The SEBI vide its Master Circular dated 07th May, 2024, has mandated Listed Companies to issue securities in demat form only while processing any service requests viz. issue of Duplicate Securities Certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of Securities Certificate; Endorsement; Sub-Division/Splitting of Securities Certificate; Consolidation of Securities Certificates/ Folios; Transmission and Transposition.

    In view of the same and to eliminate all risks associated with physical Shares and avail various benefits of dematerialisation, the Members are advised to dematerialise the Shares held by them in physical form.

13. The Members are advised to avail the nomination facility in respect of Shares held by them pursuant to the provisions of Section 72 of the Act. The Members holding Shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, power of attorney, change of address/name, Income Tax Permanent Account Number (PAN), etc. to their DP only. Changes intimated to the DP will be automatically reflected on the Company's record which will help the Company and its RTA to provide efficient & better services. The Members holding the Shares in physical mode are requested to intimate all above mentioned changes to MUFG or the Company as soon as the change occurs.

14. The Members holding Shares in physical form and wishing to avail of the nomination facility, are requested to send the duly filled in nomination in the prescribed Form SH-13 and for cancellation/variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect with Shares held in electronic/demat form, the nomination form may be filed with the respective DP.

15. The SEBI, vide Circular No.:- SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023, has made it mandatory to furnish PAN, nomination, contact details, bank account details and specimen signature, by holders of physical Securities.

    Folios wherein any one of the said document/details are not available on or after 01st October, 2023, shall be frozen by the Company/ RTA. The Shareholders whose Folios have been frozen shall be eligible to lodge grievance or avail any service request from the RTA only after furnishing the complete documents/details as mentioned and for any payment including Dividend, interest or redemption payment only through electronic mode with effect from 01st April, 2024.

    Further, the Shareholders holding Shares in physical mode were to link their PAN with Aadhaar number, by 31st March, 2023, as extended by the Central Board of Direct Taxes (CBDT). Accordingly, from 01st April, 2023 or any other date as may be specified by the CBDT, the RTA shall accept only operative PAN i.e linked with Aadhar number. The folios in which PANs are not linked with Aadhar numbers as on the notified cut-off date of 31st March, 2023 or any other date as may be specified by the CBDT, shall be frozen.

    Further, as per the above Circular of the SEBI, the frozen Folios shall be referred by the RTA/Company to the Administering Authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on 31st December, 2025. Keeping the above statutory requirements in view, the Members holding Shares in physical form are requested to furnish valid PAN, nomination, contact details, bank account details and specimen signature, immediately to the RTA/Company in the required forms, to ensure that, their Folios are not frozen on or after 01st October, 2023. The Company had sent communication letters on above to respective Shareholders for submission of required documents.

16. The Members seeking any information or clarification on the accounts are requested to send in written queries to the Company, at least one week before the date of the AGM, replies will be provided in respect of such queries received in writing, only at the AGM.

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17. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in the Notice can be obtained for inspection by writing to the Company at its e-mail ID:- cs@mahalaxmigroup.net, till the date of the AGM.

18. Non-Resident Indian Shareholders are requested to inform about the change in the residential status on return to India for permanent settlement, immediately to the Company or its Registrar and Share Transfer Agent or the concerned DP, as the case may be.

19. The Company has created an exclusive e-mail ID:- cs@mahalaxmigroup.net, for quick redressal of Shareholders/Investors grievances.

20. The Company is having depository arrangement with the NSDL and CDSL to facilitate the Shareholders to hold and trade the Company's Equity Shares in electronic form. Interested Shareholders can avail this facility by opening a beneficiary account with the DP. For more details, the Shareholders may contact the Company's RTA, MUFG Intime India Private Limited (Unit:- Mahalaxmi Fabric Mills Limited), 5th Floor, 506-508, Amarnath Business Centre-I, (ABC-I), Beside Gala Business Centre, Nr. St. Xavier's College Corner Off C G Road, Ellisbridge, Ahmedabad – 380 009, Gujarat; Ph. No.:- 079 – 26465179; E-mail ID:- ahmedabad@linkintime.co.in.

21. The Board of Directors of the Company has appointed Shri Malay Desai, Proprietor of M/s. Malay Desai & Associates (Membership No.:- A48838 and CoP No.:- 26051), Company Secretary, having Office at 1503, West Port, Nr. Taj Sky Line, Sindhubhavan Road, Ahmedabad - 380 058, Gujarat, to act as a Scrutinizer for conducting the E-voting and Remote E-voting process in a fair and transparent manner.

22. The Scrutinizer will submit his Report to the Chairman after completion of the scrutiny. The result of the voting on the Resolutions at the AGM shall be announced by the Chairman or any other person authorized by him immediately after the results are declared.

    The results declared along with the Scrutinizer's report, will be posted on the website of the Company i.e https://www.mahalaxmigroup.net/MFML; on the website of the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") i.e. www.bseindia.com & www.nseindia.com, respectively; and on the website Of E-Voting Agency i.e. https://instavote.linkintime.co.in, immediately after the declaration of the results by the Chairman or any other person authorized by him.

23. Voting through electronic means:-

    a) The business as set out in the Notice may be transacted through electronic voting system. In compliance with the provisions of Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014, Secretarial Standards – 2 on the General Meetings and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is pleased to offer the facility of voting through electronic means to all its Members to enable them to cast their votes electronically. The Company has made necessary arrangements with the RTA to facilitate the Members to cast their votes from a place other than the venue of the AGM (Remote E-voting).

    b) A Person whose name is recorded in the Register of Members/Register of Beneficial Owners maintained by the Depositories as on the cut-off date shall be entitled to avail the facility of remote e-voting or voting at the AGM. The Persons who are not Members as on the cut-off date should treat the Notice for information purpose only.

    c) The Notice will be displayed on the website of the Company i.e https://www.mahalaxmigroup.net/MFML; on the website of the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") i.e. www.bseindia.com & www.nseindia.com, respectively; and on the website of E-Voting Agency i.e. https://instavote.linkintime.co.in.

    d) The Members who have cast their vote by Remote E-Voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

    e) The Members whose names appear in the Register of Members/Register of Beneficial Owners maintained by the Depositories as on cut-off date are entitled to vote on Resolutions set forth in the Notice. Eligible Members who have acquired Shares after the dispatch of the Annual Report and holding Shares as on the cut-off date may approach the RTA for issuance of the User ID and Password for exercising their right to vote by electronic means.

    f) The Remote E-voting period will commence at 09:00 a.m. (IST) on Wednesday, the 20th Day of August, 2025 and will end at 05:00 p.m. (IST) on Friday, the 22nd Day of August, 2025. During this period, the Members of the Company, holding Shares in physical form/dematerialized form, as on the cut-off date i.e. Saturday, the 16th Day of August, 2025, may cast their vote by Remote E-Voting. The Remote E-Voting module shall be disabled by the RTA for voting thereafter.

BY ORDER OF THE BOARD OF DIRECTORS
FOR, MAHALAXMI FABRIC MILLS LIMITED

Sd/-
HEER YUVRAJ PANDYA
COMPANY SECRETARY
ICSI MEMBERSHIP NO.:- A64319

DATE: JULY 17, 2025
PLACE: AHMEDABAD

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REMOTE E-VOTING INSTRUCTION:-

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access remote e-Voting facility.

Login method for Individual shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode with NSDL

METHOD 1 - NSDL IDeAS facility

Shareholders registered for IDeAS facility:

a) Visit URL: https://eservices.nsdl.com and click on "Beneficial Owner" icon under "IDeAS Login Section".

b) Click on "Beneficial Owner" icon under "IDeAS Login Section".

c) Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on "Access to e-Voting" under e-Voting services.

d) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for IDeAS facility:

a) To register, visit URL: https://eservices.nsdl.com and select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

b) Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on "Submit".

c) Enter the last 4 digits of your bank account / generate 'OTP'

d) Post successful registration, user will be provided with Login ID and password. Follow steps given above in points (a-d).

Shareholders/ Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

Google Play App Store

METHOD 2 - NSDL e-voting website

a) Visit URL: https://www.evoting.nsdl.com

b) Click on the "Login" tab available under 'Shareholder/Member' section.

c) Enter User ID (i.e., your 16-digit demat account no. held with NSDL), Password/OTP and a Verification Code as shown on the screen.

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.

e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 3 - NSDL OTP based login

a) Visit URL: https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp

b) Enter your 8 - character DP ID, 8 - digit Client Id, PAN, Verification code and generate OTP.

c) Enter the OTP received on your registered email ID/ mobile number and click on login.

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.

e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders registered with CDSL Easi/ Easiest facility

METHOD 1 - CDSL Easi/ Easiest facility:

Shareholders registered for Easi/ Easiest facility:

a) Visit URL: https://web.cdslindia.com/myeasitoken/Home/Login or www.cdslindia.com & click on New System Myeasi Tab.

b) Enter existing username, Password & click on "Login".

c) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

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Shareholders not registered for Easi/ Easiest facility:

a) To register, visit URL: https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration / https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration

b) Proceed with updating the required fields for registration.

c) Post successful registration, user will be provided username and password. Follow steps given above in points (a-c).

METHOD 2 - CDSL e-voting page

a) Visit URL: https://www.cdslindia.com

b) Go to e-voting tab.

c) Enter 16-digit Demat Account Number (BO ID) and PAN No. and click on "Submit".

d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account

e) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.

a) Login to DP website

b) After Successful login, user shall navigate through "e-voting" option.

c) Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.

d) Post successful authentication, click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode.

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register and vote on InstaVote as under:

STEP 1: LOGIN / SIGNUP to InstaVote

Shareholders registered for INSTAVOTE facility:

a) Visit URL: https://instavote.linkintime.co.in & click on "Login" under 'SHARE HOLDER' tab.

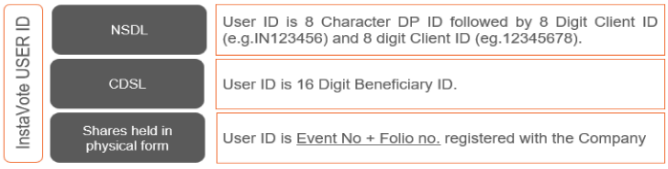
b) Enter details as under:

   1. User ID: Enter User ID
   2. Password: Enter existing Password

3. Enter Image Verification (CAPTCHA) Code

4. Click "Submit".

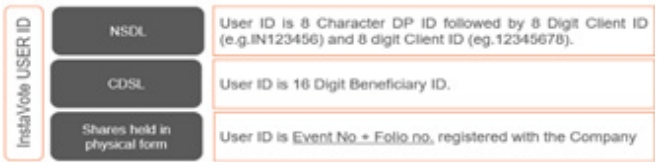
   (Home page of e-voting will open. Follow the process given under "Steps to cast vote for Resolutions")



Shareholders not registered for INSTAVOTE facility:

a) Visit URL: https://instavote.linkintime.co.in & click on "Sign Up" under 'SHARE HOLDER' tab & register with details as under:

   1. User ID: Enter User ID
   2. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.



   3. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format)
   4. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
      - Shareholders holding shares in NSDL form, shall provide 'D' above
      - Shareholders holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

5. Set the password of your choice.

   (The password should contain minimum 8 characters, at least one special Character (!#$&*), at least one numeral, at least one alphabet and at least one capital letter).

6. Enter Image Verification (CAPTCHA) Code.
7. Click "Submit" (You have now registered on InstaVote).

Post successful registration, click on "Login" under 'SHARE HOLDER' tab & follow steps given above in points (a-b).

STEP 2: Steps to cast vote for Resolutions through InstaVote

A. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the "Notification for e-voting".

B. Select 'View' icon. E-voting page will appear.

C. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).

D. After selecting the desired option i.e. Favour / Against, click on 'Submit'.

E. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

NOTE: Shareholders may click on "Vote as per Proxy Advisor's Recommendation" option and view proxy advisor recommendations for each resolution before casting vote. "Vote as per Proxy Advisor's Recommendation" option provides access to expert insights during the e-Voting process. Shareholders may modify their vote before final submission.

Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently.

Guidelines for Institutional shareholders ("Custodian / Corporate Body/ Mutual Fund")

STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration

A. Visit URL: https://instavote.linkintime.co.in

B. Click on "Sign Up" under "Custodian / Corporate Body/ Mutual Fund"

C. Fill up your entity details and submit the form.

D. A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.

E. Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's email ID. (You have now registered on InstaVote)

STEP 2 – Investor Mapping

A. Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

B. Click on "Investor Mapping" tab under the Menu Section

C. Map the Investor with the following details:

   1) 'Investor ID' – Investor ID for NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678; Investor ID for CDSL demat account is 16 Digit Beneficiary ID.

   2) 'Investor's Name - Enter Investor's Name as updated with DP.

   3) 'Investor PAN' - Enter your 10-digit PAN.

   4) 'Power of Attorney' - Attach Board resolution or Power of Attorney.

   NOTE: File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID.

   Further, Custodians and Mutual Funds shall also upload specimen signatures.

D. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the "Report Section".

STEP 3 – Steps to cast vote for Resolutions through InstaVote

The corporate shareholder can vote by two methods, during the remote e-voting period.

METHOD 1 - VOTES ENTRY

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) Click on "Votes Entry" tab under the Menu section.

c) Enter the "Event No." for which you want to cast vote.

Event No. can be viewed on the home page of InstaVote under "On-going Events".

d) Enter "16-digit Demat Account No.".

e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link). After selecting the desired option i.e. Favour / Against, click on 'Submit'.

f) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

METHOD 2 - VOTES UPLOAD

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) After successful login, you will see "Notification for e-voting".

c) Select "View" icon for "Company's Name / Event number".

d) E-voting page will appear.

e) Download sample vote file from "Download Sample Vote File" tab.

f) Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and upload the same under "Upload Vote File" option.

g) Click on 'Submit'. 'Data uploaded successfully' message will be displayed.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000.

Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending request at evoting@nsdl.co.in or call at: 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: https://instavote.linkintime.co.in

- Click on "Login" under 'SHARE HOLDER' tab.
- Click "forgot password?"
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: https://instavote.linkintime.co.in

- Click on 'Login' under "Custodian / Corporate Body/ Mutual Fund" tab
- Click "forgot password?"
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

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Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

General Instructions - Shareholders

- ❖ It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ❖ For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- ❖ During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

BY ORDER OF THE BOARD OF DIRECTORS
FOR, MAHALAXMI FABRIC MILLS LIMITED

Sd/-
HEER YUVRAJ PANDYA
COMPANY SECRETARY
ICSI MEMBERSHIP NO.:- A64319

DATE: JULY 17, 2025
PLACE: AHMEDABAD

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:-

ITEM NO. 3:-

Members are hereby informed that M/s. Bhanwar Jain & Co., Chartered Accountants (Firm Registration No. 117340W), who were appointed as the Statutory Auditors of the Company, have tendered their resignation on 09th May 2025 for the FY 2025-26 onwards. The resignation has been submitted on ethical grounds, as the firm is presently undergoing the process of obtaining a Peer Review Certificate from the Institute of Chartered Accountants of India (ICAI). As per the regulatory framework under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, such certification is mandatory for firms conducting statutory audits of listed entities.

In accordance with Regulation 30 read with Schedule III of the SEBI (LODR) Regulations, 2015, and Section 140(2) of the Companies Act, 2013, the Company has made appropriate disclosures to the stock exchanges. This explanatory note is being placed before the shareholders for their information.

The resigning auditors have confirmed that there are no concerns, disputes, or qualifications connected with their resignation and that the decision was purely due to procedural delays in obtaining the required Peer Review Certificate from ICAI.

The Board of Directors, at its meeting held on 29th May, 2025 noted and accepted the resignation and placed on record its sincere appreciation for the professional services rendered by M/s. Bhanwar Jain & Co. during their tenure.

In view of the above, the Company has initiated the process for appointment of new Statutory Auditors in accordance with the provisions of Sections 139 and 140 of the Companies Act, 2013 and other applicable laws.

It is now proposed to appoint M/s. Jain Chowdhary & Co., Chartered Accountants (Firm Registration No. 113267W), as the Statutory Auditors of the Company, for a term of five consecutive years, from the conclusion of the ensuing Annual General Meeting (AGM) in 2025 until the conclusion of the AGM to be held in the year 2030.

The Board of Directors, based on the recommendation of the Audit Committee, has approved the appointment of M/s. Jain Chowdhary & Co. for the said term, at a remuneration to be mutually agreed between the Board and the auditors.

The Board recommends the resolution for approval of the members as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel, or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

ITEM NO. 4:-

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 ("SEBI Listing Regulations"), on the basis of recommendation of Board of Directors, the Company shall appoint or re-appoint an individual as Secretarial Auditor for not more than one term of five consecutive years; or a Secretarial Audit firm as Secretarial Auditor for not more than two terms of five consecutive years, with the approval of the shareholders in Annual General Meeting ("AGM").

Based on the recommendation of the Audit Committee, the Board of Directors has approved the appointment of M/s. Malay Desai & Associates ("Malay Desai"), Company Secretaries in Practice, (Peer Review Number:6426/2025), as the Secretarial Auditors of the Company for a period of five consecutive financial years from 2025-26 to 2029-30. The appointment is subject to shareholders' approval at the AGM. While recommending Malay Desai for appointment, the Audit Committee and the Board based on past audit experience of the audit firm particularly in auditing large companies, valuated various factors, including the firm's capability to handle a diverse and complex business environment, its existing experience in the various business segments, the clientele it serves, and its technical expertise.

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Mahalaxmi Fabric Mills Limited

Pursuant to Regulation 36(5) of SEBI Listing Regulations as amended, the credentials and terms of appointment of Malay Desai are as under:

Malay Desai stands as one of the renounced firm of practicing Company Secretaries, having excellence in compliance and governance. The firm's broad and comprehensive practice areas reflect its deep expertise across various domains, including corporate laws, capital market transactions, listing compliances, due diligence, and compliance & governance audits.

This extensive knowledge enables Malay Desai to be a trusted partner for businesses navigating intricate legal and regulatory landscapes. Dedicated to excellence and a client-centric philosophy, Malay Desai offers tailored solutions within these diverse practice areas, ensuring clients achieve their business goals efficiently and effectively

The Board of Directors of the Company, at its meeting held on 29th May 2025, based on the recommendation of the Audit Committee, has approved the reappointment of Mr. Malay Desai, Proprietor of M/s. Malay Desai & Associates, Practicing Company Secretary, as the Secretarial Auditor of the Company for a period of five financial years from FY 2025-26 to FY 2029-30, for conducting the Secretarial Audit as required under Section 204 of the Companies Act, 2013.

Further, the Board also approved his appointment for issuing the Annual Secretarial Compliance Report under Regulation 24A of the SEBI (LODR) Regulations, 2015 and for conducting the Reconciliation of Share Capital Audit under Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018 for the same period.

The Board of Directors of the Company recommends the Resolution set out at Item No. 4 to the Notice as an Ordinary Resolution, for your approval. None of the Directors, Key Managerial Personnel of the Company, or their relatives are concerned or interested in the said resolution.

ITEM NO. 5:-

The Members are informed that Mr. Jeetmal Bhoorchand Parekh (DIN: 00512415) is serving as the Director of the Company. He has been associated with the Company for several decades and has played a pivotal role in the growth, operations, and strategic direction of the business. His leadership, deep industry knowledge, and continued guidance remain valuable to the Company.

As per the provisions of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from April 1, 2019, no listed entity shall appoint or continue the directorship of a person as a Non-Executive Director who has attained the age of 75 years unless a special resolution is passed to that effect, and justification thereof is provided in the explanatory statement.

As the said regulation applies to Non-Executive Directors, and Mr. Jeetmal Bhoorchand Parekh is serving as Non- Executive capacity, the Company, as a measure of good corporate governance and transparency, seeks approval of the Members for his continuation as Director upon attaining the age of 75 years, until the expiry of his present term.

Mr. Jeetmal Parekh has attained the age of 75 years ad considering his vast experience, leadership abilities, and the continued benefit derived by the Company under his stewardship, the Board of Directors, at its meeting held on 28th May 2025 recommended the continuation of Mr. Jeetmal Parekh's directorship for the remainder of his current term, despite his having attained the age of 75 years.

The Board of Directors of the Company recommends the resolution set out at Item No. 5 of the Notice as a Special Resolution for your approval. None of the Directors, Key Managerial Personnel or their relatives, except Mr. Jeetmal Bhoorchand Parekh, Mr. Rahul Jeetmal Parekh, Mr. Anand Jeetmal Parekh and their relatives, are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

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1. DISCLOSURE RELATING TO APPOINTMENT/REAPPOINTMENT OF DIRECTOR IN THIS AGM PURSUANT TO REGULATION 36(3) OF THE SEBI (LODR), REGULATIONS, 2015 AND SECRETARIAL STANDARDS – 2 ON THE GENERAL MEETINGS:-

Name of the Director	Shri Rahul J Parekh
Director Identification Number (DIN)	00500328
Date of Birth	27-04-1972
Qualification	MBA From U.S.A
Date of first appointment	04-04-1991
Brief resume and nature of expertise and experience in specific functional area	Shri Rahul Jeetmal Parekh, aged 52 years, is the Promoter Director of the Company and Second Generation Entrepreneur. He is MBA from USA. He is responsible for the Group's diversification into other categories of business. He has experience in the corporate finance, production, marketing and secretarial matters. He is responsible for the Group's strategic financial matters including the corporate finance, corporate strategy, business development, risk management and overall affairs of the Group. He primarily oversees the operations of the Rubber/Technical Textiles and Weaving Division of the Group. He has been instrumental in the growth of the Group. He holds directorships in the following companies:-
Remuneration last drawn	Nil
Number of Meetings of the Board attended during the Financial Year 2024-25	17
Shareholding in the Company including shareholding as a beneficial owner as on 31.03.2025	1837710 number of Equity Shares of ₹ 10/- per Share Face Value
Disclosure of relationship between Directors inter-se	Son of Shri Jeetmal B. Parekh (Director) and Brother of Shri Anand J. Parekh (Director)
Name of Listed Entities in which the Person also holds Directorship	1. Mahalaxmi Rubtech Limited 2. Mahalaxmi Fabric Mills Limited 3. Globale Tessile Limited
Membership of Committees of the Board along with Listed Entities and Listed Entities which the Person has resigned in the past three years	**Mahalaxmi Rubtech Limited:-** 1. Chairman of Share Transfer Committee **Mahalaxmi Fabric Mills Limited:-** 1. Chairman of Share Transfer Committee **Globale Tessile Limited:-** 1. Chairman of Share Transfer Committee

2.

Name of the Director	Smt. Sangita S. Shingi	Shri Nehal M. Shah	Smt. Indra B. Singhvi
Director Identification Number (DIN)	06999605	00020062	07054136
Date of Birth	05/08/1970	27/02/1972	15/12/1957
Qualification	B. Com. and Diploma in Marketing & Sales Management	M.B.A.	B.A.
Date of first appointment	18/04/2024	18/04/2024	18/04/2024
Brief resume and nature of expertise and experience in specific functional area	Smt. Sangita Shingi has been appointed as a Non–Executive-Independent Director w.e.f. 18th April, 2024. She has a wide experience in Business Administration, Finance, Project Finance, Stock Broking and Mortgage. She is designated as Chairman of Nomination & Remuneration Committee and Member of Audit committee and Corporate Social Responsibility Committee.	Shri Nehal Shah is appointed as a Non-Executive-Independent Director w.e.f. 18th April, 2024. He holds a degree of Master of Business Administration (MBA). He has an experience of a successful marketing entrepreneur with a leading network marketing company. He has served as the AIESEC Association's National VP and has been on the AIESEC Ahmedabad Alumni Advisory Board. He is having expertise in real estate development. He is designated as Chairman of Stakeholders Relationship Committee and Member of Audit committee and Risk Management Committee.	Smt. Indra Singhvi is appointed as a Non-Executive-Independent Director w.e.f. 18th April, 2024. She has done B.A., from Jodhpur University. She has a vast experience in finance related matters. She also worked as a president in Lions Club of Karnavati-NGO. She is designated as Chairman of Audit Committee and Member of Nomination & Remuneration Committee.

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Mahalaxmi Fabric Mills Limited

Name of the Director	Smt. Sangita S. Shingi	Shri Nehal M. Shah	Smt. Indra B. Singhvi
Remuneration last drawn	Nil	Nil	Nil
Number of Meetings of the Board attended during the Financial Year 2024-25	15	14	14
Shareholding in the Company including shareholding as a beneficial owner as on 31.03.2025	Nil	Nil	Nil
Disclosure of relationship between Directors inter-se	Not Applicable	Not Applicable	Not Applicable
Name of Listed Entities in which the Person also holds Directorship	1. Mahalaxmi Rubtech Limited 2. Mahalaxmi Fabric Mills Limited 3. Globale Tessile Limited 4. Riddhi Siddhi Gluco Biols Limited	1. Mahalaxmi Rubtech Limited 2. Mahalaxmi Fabric Mills Limited 3. Globale Tessile Limited	1. Mahalaxmi Fabric Mills Limited 2. Globale Tessile Limited
Membership of Committees of the Board along with Listed Entities and Listed Entities which the Person has resigned in the past three years	**Mahalaxmi Rubtech Limited:-** 1. Chairman of Nomination and Remuneration Committee 2. Member of Audit Committee 3. Member of Corporate Social Responsibility Committee **Mahalaxmi Fabric Mills Limited:-** 1. Chairman of Nomination and Remuneration Committee 2. Member of Audit Committee 3. Member of Corporate Social Responsibility Committee **Globale Tessile Limited:-** 1. Chairman of Nomination and Remuneration Committee 2. Member of Audit Committee 3. Member of Corporate Social Responsibility Committee **Riddhi Siddhi Gluco Biols Limited:-** 1. Member of Audit Committee 2. Member of Nomination and Remuneration Committee	**Mahalaxmi Rubtech Limited:-** 1. Chairman of Stakeholder Relationship Committee 2. Member of Audit Committee 3. Member of Risk Management Committee **Mahalaxmi Fabric Mills Limited:-** 1. Chairman of Stakeholder Relationship Committee 2. Member of Audit Committee 3. Member of Risk Management Committee **Globale Tessile Limited:-** 1. Chairman of Stakeholder Relationship Committee 2. Member of Audit Committee 3. Member of Risk Management Committee	**Mahalaxmi Rubtech Limited:-** 1. Chairman of Audit Committee 2. Member of Nomination and Remuneration Committee **Mahalaxmi Fabric Mills Limited:-** 1. Chairman of Audit Committee 2. Member of Nomination and Remuneration Committee **Globale Tessile Limited:-** 1. Chairman of Audit Committee 2. Member of Nomination and Remuneration Committee

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BY ORDER OF THE BOARD OF DIRECTORS
FOR, MAHALAXMI FABRIC MILLS LIMITED

Sd/-
HEER YUVRAJ PANDYA
COMPANY SECRETARY
ICSI MEMBERSHIP NO.:- A64319

DATE: JULY 17, 2025
PLACE: AHMEDABAD

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BOARD'S REPORT

To,
The Members
MAHALAXMI FABRIC MILLS LIMITED

Your Directors have pleasure in presenting herewith the Board's Report along with the Audited (Standalone and Consolidated) Statement of Accounts, for the Financial Year ended on 31st March, 2025.

1. FINANCIAL SUMMARY:-

The Group's Restated financial performance, for the year under review, along with the previous year's figures are given hereunder:-

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Income from Operations & other Income	6488.96	9025.02	15518.98	17036.77
Profit before Depreciation	**856.83**	**201.97**	**1445.07**	**661.90**
Less:- Depreciation	373.03	436.56	387.67	448.63
Profit before Tax	**483.53**	**(234.59)**	**1057.04**	**213.27**
Less:- Provision for Tax	-	-	143.75	113.07
Less:- Provision for Deferred Tax	121.94	(42.76)	122.22	(42.07)
Profit after Tax	**361.59**	**(191.83)**	**791.07**	**142.27**

2. STATE OF THE COMPANY'S AFFAIRS:-

The Company has witnessed rise in the total Income from Operations, during the F.Y. ended on 31st March, 2025.

During the year under review, your Company has reported on a Standalone basis, Income from Operations & other Income₹ 6488.96 Lakhs as against ₹9025.02 Lakhs in the previous year, Profit before Tax 483.53 Lakhs as against ₹ (234.59) Lakhs in the previous year, Net Profit after Tax 361.59 Lakhs as against ₹ (191.83) Lakhs in the previous year.

During the year under review, your Company has reported on a Consolidated basis, Income from Operations & other Income 15518.98 Lakhs as against 17036.77 Lakhs in the previous year, Net Profit before Tax 1057.04 Lakhs as against 213.27 Lakhs in the previous year, Net Profit after Tax 791.07 Lakhs as against 142.27 Lakhs in previous year.

3. DIVIDEND AND RESERVE:-

The Board of Directors have not recommended any Dividend for the F.Y. 2024-25. The Board does not propose any amount to carry to Reserves for the F.Y. 2024-25 and Profit earned during the F.Y. 2024-25 is proposed to be retained in the Profit & Loss Account, for the F.Y. ended on 31st March, 2025.

4. DEPOSIT:-

The Company has not invited/accepted any Deposit from the Public within the meaning of the provisions of Section 73 and 76 of the Companies Act, 2013 & Rules framed there under and the Directives issued by the Reserve Bank of India. Hence, the requirement for furnishing details of Deposit covered under Chapter V of the Companies Act, 2013 and details of Deposit which are not in compliance with the requirement of Chapter V of the Companies Act, 2013, is not applicable.

The details of loan received from the Directors of the Company not considered as Deposit under the Companies (Acceptance of Deposit) Rules, 2014, are disclosed in the Note No. 42 of the Audited (Standalone) Financial Statements of the Company.

5. SHARE CAPITAL:-

During the year under review, the Company has not issued any Shares with differential rights as to dividend, voting or otherwise nor has granted any Stock Options or Sweat Equity. As on 31st March, 2025, none of the Directors of the Company hold instruments convertible into the Equity Shares of the Company.

As on date of this Report, the paid-up Equity Share Capital of the Company stood at ₹ 10,62,02,750, consisting of 1,06,20,275 number of Equity Shares of ₹ 10/- each.

6. CHANGE IN THE NATURE OF BUSINESS, IF ANY:-

There is no material changes in the Nature of business during the year

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Mahalaxmi Fabric Mills Limited

7. MANAGEMENT DISCUSSION AND ANALYSIS:-

Your Company is engaged in the manufacturing and marketing of products falling under the segment of Traditional Textiles. A detailed analysis on the performance of the industry, Company, internal control systems, risk and concerns are specified in the Management Discussion and Analysis Report, forming part of this Annual Report, as required under Regulation 34 read with Schedule V of the SEBI (LODR) Regulations, 2015.

8. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:-

Your Company has complied with the Corporate Governance requirements as specified under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. A separate section on Corporate Governance under the SEBI (LODR) Regulations, 2015 along with the Certificate from the Company's Auditors confirming compliance thereof is annexed and forming part of this Annual Report.

9. MEETINGS OF THE BOARD:-

During the year under review, total 17 (Seventeen) Meetings of the Board of Directors were conveyed and held. Details of the composition of the Board, Meetings held and attendance of the Directors at such Meetings, are provided in the Corporate Governance Report, forming part of this Annual Report. The intervening gap between the Board Meetings were within the period, prescribed under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

10. DIRECTORS:-

I. Changes in Directors and Key Managerial Personnel:-

a. Appointment of Directors:-

The Board of Directors of the Company, in its Meeting held on 18th April, 2024, have appointed Shri Anand J. Parekh (DIN:- 00500384), as a Managing Director (Designated as "Key Managerial Personnel") of the Company, for a period of 5 (Five) years, with effect from 18th April, 2024 to 17th April, 2029; and Smt. Sangita S. Shingi (DIN:- 06999605), Shri Nehal M. Shah (DIN:- 00020062) & Smt. Indra B. Singhvi (DIN:- 07054136), as Additional Non-Executive-Independent Directors of the Company, who shall hold office for a period of five years commencing from 18th April, 2024 to 17th April, 2029. The Board recommends their appointment. The Notice convening the AGM includes the proposal for their appointment. Brief profile of them have also been provided therein.

In the opinion of the Board, Independent Director appointed are a Person of integrity and possess relevant expertise and experience including the proficiency ascertained from the online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs (IICA).

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All the Directors of the Company have confirmed that they are not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

b. Cessation of Directors:-

During the year under review, no Director has been ceased to be the Director of the Company.

c. Retirement by rotation:-

In accordance with the provisions of Section 152 of the Companies Act, 2013, at the forthcoming AGM, Shri Rahul J. Parekh (DIN:- 00500328), will retire by rotation and being eligible, offers himself for re-appointment. The Board recommends his re-appointment. The Notice convening the AGM includes the proposal for his re-appointment as a Director. A brief profile of Shri Rahul J. Parekh has also been provided therein.

d. Key Managerial Personnel:-

The Following Persons are the KMP of the Company who have been appointed during the year:-

i. Shri Anand J. Parekh, Managing Director
ii. Smt. Rajshree Raol, Chief Financial Officer
iii. Shri. Naresh V. Kanzariya, Company Secretary (from 29th April, 2024 to 16th January, 2025)
iv. Smt. Heer Yuraj Pandya, Company Secretary (w.e.f. 17th January, 2025)

II. Declaration by an Independent Director(s):-

All the Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015. In the opinion of the Board, they fulfil the conditions specified in the SEBI (LODR) Regulations, 2015 and are independent of the Management.

III. Governance Guidelines:-

The Company has adopted the Governance Guidelines on the Board effectiveness. The Governance Guidelines cover aspects related to the composition and role of the Board, Chairman & Directors, Board diversity, definition of independence, Directors terms, retirement age and the Board Committees. It also covers aspects relating to nomination, appointment, induction and development of the Directors, Directors remuneration, Subsidiary oversight, Code of Conduct, Board effectiveness, reviews and mandates of the Board Committees.

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IV. Procedure for nomination and appointment of Directors:-

The Board of Directors of the Company, in its Meeting held on 29th April, 2024, have constituted the Nomination and Remuneration Committee of the Company. The Nomination and Remuneration Committee is responsible for developing competency requirements for the Board, based on the industry and strategy of the Company. The Board composition analysis reflects in-depth understanding of the Company, including its strategies, environment, operations, financial condition and compliance requirements.

The Nomination and Remuneration Committee conducts a gap analysis to refresh the Board on a periodic basis, including each time a Directors appointment or re-appointment is required. The Committee is also responsible for reviewing and vetting the resumes of potential candidates vis-à-vis the required competencies and meeting potential candidates, prior to making recommendations of their nomination to the Board. At the time of appointment, specific requirements for the position, including expert knowledge expected, is communicated to the appointee.

V. Criteria for determining qualifications, positive attributes and independence of a Director:-

The Nomination and Remuneration Committee has formulated the criteria for determining qualifications, positive attributes and independence of Directors, in terms of provisions of Section 178(3) of the Companies Act, 2013 and Regulation 19 read with Schedule II Part D - Para A of the SEBI (LODR) Regulations, 2015.

a. Independence:-

In accordance with the above criteria, a Director will be considered as an Independent Director if he/she meets with the criteria for Independent Director, as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015.

b. Qualifications:-

A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is also ensured that the Board has an appropriate blend of functional and industry expertise. While recommending the appointment of a Director, the Nomination and Remuneration Committee considers the manner in which the function and domain expertise of the individual will contribute to the overall skill-domain mix of the Board.

c. Positive attributes:-

In addition to the duties as prescribed under the Companies Act, 2013, the Directors on the Board of the Company are also expected to demonstrate high standards of ethical behaviour, strong interpersonal & communication skills and soundness of judgment. Independent Directors are also expected to abide by the "Code for Independent Directors", as outlined in Schedule IV of the Companies Act, 2013.

VI. Board evaluation:-

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the SEBI (LODR) Regulations, 2015, the Board has carried out an evaluation of its own performance, the Directors individually as well as of the working of the Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report, forming part of this Annual Report.

VII. Meeting of the Independent Directors:-

During the year under review, a separate Meeting of the Independent Directors was held. In the said Meeting, the Independent Directors assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board and expressed that the current flow of information and contents were adequate for the Board to effectively and reasonably perform their duties. They also reviewed the performance of the Non-Independent Directors & the Board as a whole and the performance of the Chairman of the Company, taking into account the views of the Executive Directors and Non-Executive Directors.

VIII. Remuneration Policy:-

The Board have, on the recommendation of the Nomination & Remuneration Committee, framed a Policy for selection and appointment of the Directors, Senior Management, Key Managerial Personnel and their remuneration, pursuant to the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The philosophy for remuneration of the Directors, Key Managerial Personnel and all other employees of the Company is based on the commitment of fostering a culture of leadership with trust. The Nomination and Remuneration Committee has recommended to the Board a Policy aligned to this philosophy and the same may be accessed on the Company's website at the link:- https://www.mahalaxmigroup.net/MFML/policy-&-code-of-conduct.html.

The Nomination and Remuneration Committee has considered following factors while formulating the Policy:-

a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors of the quality required to run the Company successfully;

b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

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c. Remuneration to the Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

It is affirmed that remuneration paid to the Directors, Key Managerial Personnel and all other employees is as per the Remuneration Policy of the Company.

IX. Committees of the Board:-

The Board has constituted necessary Committees pursuant to the provisions of the Companies Act, 2013 & Rules framed thereunder and the SEBI (LODR), Regulations, 2015. The Committees of the Board are Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Share Transfer Committee and Risk Management Committee.

The Board has accepted all recommendations of the above Committees. The details about Composition of Committees, Meetings and attendance are incorporated in the Corporate Governance Report, forming part of this Annual Report.

11. DIRECTORS RESPONSIBILITY STATEMENT:-

Pursuant to Section 134(3)(c) and 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and belief, state that:-

I. In the preparation of the annual accounts, for the F.Y. ended on 31st March, 2025, the applicable accounting standards had been followed and there are no material departures from the same;

II. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company, at the end of the F.Y. ended on 31st March, 2025 and of the profit of the Company for the F.Y. ended on 31st March, 2025;

III. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

IV. The Directors had prepared annual accounts on a going concern basis.

V. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

VI. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

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12. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:-

Your Company has an effective internal control and risk mitigation system, which are constantly assessed and strengthened with new/ revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board actively reviews the adequacy and effectiveness of the internal control systems and suggest improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Statutory Auditors, including audit of the internal financial controls over financial reporting by the Statutory Auditors and the reviews performed by the Management, the Board is of the opinion that the Company's internal financial controls with reference to the Financial Statement were adequate and effective during the F.Y. 2024-25.

Details of internal controls system are given in the Management Discussion and Analysis Report, forming part of this Annual Report.

13. RISK MANAGEMENT:-

Although not mandatory, as a measure of the good governance, the Company has constituted a Risk Management Committee of the Board. The Committee reviews the Company's performance against identified risks, formulates strategies towards identifying new and emergent risks that may materially affect the Company's overall risk exposure and reviews the Risk Management Policy and structure.

This robust risk management framework seeks to create transparency, minimize adverse impact on business objectives and enhance the Company's competitive advantage.

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to address business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Risk Management Committee.

The Company has adopted a Risk Management Policy, pursuant to Section 134 of the Companies Act, 2013.

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14. AUDITORS:-

I. Statutory Auditors:-

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the rules made thereunder, the tenure of M/s. Bhanwar Jain & Co., Chartered Accountants, as the Statutory Auditors of the Company will conclude at the ensuing Annual General Meeting (AGM). The Board places on record its appreciation for the professional services rendered by them during their tenure.

The Board of Directors, at its meeting held on May 29, 2025, has proposed the appointment of M/s. Jain Chowdhary & Co., Chartered Accountants (Firm Registration No. 113267W), as the Statutory Auditors of the Company, for a term of five (5) consecutive years, commencing from the conclusion of the AGM to be held in the year 2025 until the conclusion of the AGM to be held in the year 2030. The appointment is subject to approval of the shareholders at the ensuing AGM.

The Company has received a consent letter and eligibility certificate from M/s. Jain Chowdhary & Co., in accordance with the provisions of Section 139 and Section 141 of the Companies Act, 2013, confirming that the appointment, if made, shall be within the prescribed limits under the Act and that they are not disqualified for appointment.

The Board recommends the appointment of M/s. Jain Chowdhary & Co., Chartered Accountants, as the Statutory Auditors of the Company for the above-mentioned term for approval of the members at the ensuing AGM.

The Statutory Auditor's Report for the financial year ended March 31, 2025, issued by M/s. Bhanwar Jain & Co., does not contain any qualification, reservation, adverse remark, or disclaimer. However, on May 9, 2025, for the Financial 2025 -26 onwards the Auditor tendered its resignation due to ongoing process of renewal the Peer Review Certificate from the Institute of Chartered Accountants of India (ICAI).

Further, during the year under review, the Statutory Auditors have not reported any matter under Section 143(12) of the Companies Act, 2013. Accordingly, no disclosure is required under Section 134(3)(ca) of the said Act.

II. Secretarial Auditors:-

Your Company has appointed a Secretarial Auditor of the Company, for the five consecutive financial years from F.Y. 2025-26 to FY 2029-2030.

Shri Malay Desai (ACS:- 48838 and CP No.:- 26051), Proprietor of M/s. Malay Desai & Associates, Practicing Company Secretary, has been appointed as a Secretarial Auditor of the Company, in the Board Meeting held on 29th May, 2025.

The Secretarial Auditor Report of Mr. Malay Desai, for the F.Y. ended on 31st March, 2025, does not contain any qualification, reservation, adverse remark or disclaimer.

The Secretarial Audit Report for the F.Y. ended on 31st March, 2025, is annexed herewith as an **Annexure – I**, forming part of this Annual Report.

III. Internal Auditors:-

M/s. D. Trivedi & Associates (Firm Registration No.:- 0128309W), Practicing Chartered Accountants, have been appointed as an Internal Auditor of the Company, in the Board Meeting held on 29th May, 2024, for the F.Y. 2025-26.

The Audit Committee, in consultation with the Internal Auditor, has formulated the scope, functioning, periodicity and methodology for conducting the internal audit.

15. Cost Records:-

During the year under review, the Company is required to maintain cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 and accordingly such accounts & records are made and maintained by the Company.

16. DETAILS OF SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES:-

The Consolidated Financial Statements of the Company and its Wholly Owned Subsidiary Company, is prepared in accordance with the Indian Accounting Standards, notified under the Companies (Indian Accounting Standards) Rules, 2015, which is forming part of this Annual Report and are reflected in the Consolidated Financial Statements of the Company.

The annual Financial Statements of the Wholly Owned Subsidiary Company and related detailed information will be kept at the Registered Office of the Company and will be available to investors seeking information at any time.

The Company has adopted a Policy for determining Material Subsidiary in terms of Regulation 16(1)(c) of the SEBI (LODR) Regulations, 2015. The Policy for determining Material Subsidiary may be assessed on the Company's website at the link:- https://www.mahalaxmigroup.net/MFML/disclosures-under-regulation-46-of-the-lodr.html.

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The Consolidated Financial Statement reflect the operations of the following Wholly Owned Subsidiary Company:-

Sr. No.	Name of the Company	CIN	Registered Office of the Company	Holding/ Subsidiary/ Associate
1	Mahalaxmi Exports Private Limited	U17299GJ2019PTC110673	"Mahalaxmi House", YSL Avenue, Opp. Ketav Petrol Pump, Polytechnic Road, Ambawadi, Ahmedabad – 380 015, Gujarat.	Wholly Owned Subsidiary Company

Pursuant to Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mahalaxmi Exports Private Limited continues to be a Material Subsidiary of the Company, based on the audited consolidated financial statements of the Company for the financial year ended March 31, 2025.

In compliance with Regulation 24(1) of SEBI (LODR) Regulations, Smt. Sangita S. Shingi (DIN: 06999605), Independent Director of the Company (appointed w.e.f. April 18, 2024), also serves as an Independent Director on the Board of Mahalaxmi Exports Private Limited.

Further, pursuant to Regulation 24A of the SEBI (LODR) Regulations, 2015, Mahalaxmi Exports Private Limited has undertaken the Secretarial Audit for the financial year 2024–25. The Secretarial Audit Report, issued by a Practicing Company Secretary, is annexed herewith as **Annexure – II** and forms part of this Annual Report.

17. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:-

The details required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 relating to conservation of energy, technology absorption and foreign exchange earnings & outgo, is annexed herewith as an **Annexure – III**, forming part of this Annual Report.

18. VIGIL MECHANISM / WHISTLE BLOWER POLICY:-

The Company has adopted the Vigil Mechanism/Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their genuine concerns or grievances about illegal or unethical practices, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of persons who avail of the Vigil Mechanism and also provides for direct access to the Chairman of the Audit Committee, in appropriate and exceptional cases. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The Vigil Mechanism/Whistle Blower Policy may be accessed on the Company's website at the link:- https://www.mahalaxmigroup.net/MFML/disclosures-under-regulation-46-of-the-lodr.html.The Audit Committee of your Company oversees the Vigil Mechanism.

19. CORPORATE SOCIAL RESPONSIBILITY (CSR):-

Pursuant to Provisions of Section 135 of the Companies Act, 2013, Your Company has not crossed the specified threshold limit, during the immediately preceding F.Y. 2023-24, that require the Company to constitute the Corporate Social Responsibility (CSR) Committee and to spend towards the CSR activities in the F.Y. 2024-25.

However, as a matter of good governance, the Board has constituted the CSR Committee of the Company, headed by Shri Rahul J. Parekh as a Chairman and Shri Anand J. Parekh & Smt. Sangita S. Shingi as Members of the Committee.

Corporate Social Responsibility (CSR) is a Company's sense of responsibility towards the community and environment in which it operates. It is the continuing commitment by business to behave ethically and contribute to economic development of the society at large and building capacity for sustainable livelihoods. The Company believes in conducting its business responsibly, fairly and in utmost transparent manner. It continually seeks ways to bring about an overall positive impact on the society and environment where it operates and as a part of its social objectives. This Policy has been formulated and adopted in terms of Section 135 of the Companies Act, 2013 and Rules framed thereunder to undertake the CSR activities.

The responsibilities of the CSR Committee include:-

I. Formulating and recommending to the Board, the CSR Policy and indicating activities to be undertaken by the Company.

II. Recommending the amount of expenditure to be incurred on the CSR activities.

III. Monitoring the CSR Policy of the Company, from time to time.

The CSR Policy may be accessed on the Company's website at the link:- https://www.mahalaxmigroup.net/MFML/Imgaes/investors-pdf/CSR-Policy.pdf.

20. POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:-

The Company has zero tolerance for sexual harassment of women at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment of Women at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed there under. The Policy aims to provide protection to women at the workplace, prevent & redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where women feel secure. The Company has also constituted an Internal

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Complaints Committee, known as the Prevention of Sexual Harassment (POSH) Committee, to inquire into complaints of sexual harassment of women and recommend appropriate action.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

21. SECRETARIAL STANDARDS OF ICSI:-

The Company is in compliance with the Secretarial Standards on the Meetings of the Board of Directors (SS - 1) and General Meetings (SS - 2) issued by the Council of the Institute of Company Secretaries of India (ICSI) and approved by the Central Government.

22. PARTICULARS OF LOANS, GUARANTEES, SECURITIES AND INVESTMENTS UNDER SECTION 186:-

Details of loans, investments, guarantees and securities covered under provisions of Section 186 of the Companies Act, 2013 are provided in the Standalone and Consolidated Financial Statement, forming part of this Annual Report.

23. PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT:-

Pursuant to the Scheme becoming effective, Mahalaxmi Exports Private Limited, has ceased to be the Wholly Owned Subsidiary Company of MRT and has become the Wholly Owned Subsidiary Company of MFML.

Pursuant to the provisions of Section 129, 134 and 136 of the Companies Act, 2013 read with Rules made thereunder and pursuant to Regulation 33 of the SEBI (LODR) Regulations, 2015, the Company has prepared the Consolidated Financial Statements of the Company and its Wholly Owned Subsidiary Company and a separate statement containing the salient features of the Financial Statement of Subsidiary, Joint Ventures and Associates in Form AOC-1 is annexed herewith as an **Annexure – IV**, forming part of this Annual Report.

As required under the SEBI (LODR) Regulations, 2015, a Cash Flow Statement is forming part of this Annual Report.

24. CONTRACTS/ARRANGEMENTS/TRANSACTIONS WITH THE RELATED PARTIES:-

All contracts/arrangements/transactions, entered into by the Company, during the year under review, with the Related Parties were in the ordinary course of business and on an arm's length basis. During the year under review, the Company has entered into contract/ arrangement/transactions with the Related Parties, in accordance with the Policy on the Related Party Transactions. All the Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the contracts/arrangements/transactions which are repetitive in nature. A statement of all the Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis, specifying the nature, value and terms & conditions of the transactions. The Policy on the Related Party Transactions may be accessed on the Company's website at the link:- https://www.mahalaxmigroup.net/MFML/images/investors-pdf/policy-on-dealing-with-related-party-transaction.pdf.

Your Directors draw attention of the Members to the Financial Statement which sets out Related Party Transactions disclosures. Details of contracts/arrangements/transactions with the Related Parties have been reported in Form AOC-2 is annexed herewith as an **Annexure – V**, forming part of this Annual Report.

25. DETAILS OF MATERIAL CHANGES AND COMMITMENT FROM THE END OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT:-

In terms of Section 134(3)(l) of the Companies Act, 2013, there have not been any material changes and commitments affecting the financial position of the Company which have occurred between the end of the F.Y. of the Company as on 31st March, 2025 and the date of the Report i.e. 17th July, 2025.

26. PARTICULERS OF EMPLOYEES:-

Disclosures with respect to the remuneration of the Directors and employees as required under Section 197(12) of the Companies Act, 2013 and Rule 5(1) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as an **Annexure – VI**, forming part of this Annual Report.

However, as per the provisions of Section 136 of the Companies Act, 2013, the Board's Report and Financial Statements are being sent to the Members after excluding the disclosure on particulars of the employees, as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Any Member interested in obtaining such information may address their e-mail to:- cs@mahalaxmigroup.net.

27. ANNUAL RETURN:-

As required under Section 134(3)(a) of the Companies Act, 2013, the Annual Return for F.Y. 2024-25 has been disclosed on the Company's website and the same may be accessed on the Company's website at the link:- https://www.mahalaxmigroup.net/MFML/disclosures-under-regulation-46-of-the-lodr.html .

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Mahalaxmi Fabric Mills Limited

28. LISTING:-

The Securities of your Company are listed with two Stock Exchanges i.e. the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

Pursuant to Regulation 14 of the SEBI (LODR) Regulations, 2015, the Annual Listing fees of the BSE and NSE, for the F.Y. 2025-26, have been paid within due date. The annual custodian fees to NSDL & CDSL have been paid for the Securities of the Company held in dematerialized mode with them, for F.Y. 2025-26.

29. COMPULSORY TRADING IN DEMAT:-

The SEBI vide its Master Circular dated 07th May, 2024, has mandated Listed Companies to issue securities in demat form only while processing any service requests viz. issue of Duplicate Securities Certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of Securities Certificate; Endorsement; Sub-Division/Splitting of Securities Certificate; Consolidation of Securities Certificates/ Folios; Transmission and Transposition.

In view of the same and to eliminate all risks associated with physical Shares and to avail various benefits of dematerialisation, the Members are advised to dematerialise the Shares held by them in physical form.

30. INSURANCE:-

All the assets of the Company including the inventories, buildings and plant & machineries are adequately insured.

31. ENVIRONMENT:-

As a responsible corporate citizen and as a Textiles Processing Unit, environment safety has been one of the key concerns of the Company. It is the constant endeavour of the Company to strive for compliance of stipulated pollution control norms.

32. ENHANCING SHAREHOLDERS VALUE:-

Your Company believes that its Members are among its most important Stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating & building for growth, enhancing the productive asset & resource base and nurturing overall corporate reputation. Your Company is also committed for creating value for its other Stakeholders by ensuring that its corporate actions positively impact the socio economic and environmental dimensions and contribute to sustainable growth and development.

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33. DEPOSITORY SYSTEM:-

As the Members are aware, the Company's Equity Shares are tradable in electronic form. In view of the numerous advantages offered by the Depository System, the Members holding Shares in physical form are advised to avail themselves of the facility of dematerialization.

34. MATERIAL ADVERSE EVENT – FIRE AT FACTORY PREMISES

During the year under review, on 24th November 2024, a major fire broke out at the Company's factory premises, resulting in substantial damage to the building, plant and machinery, furniture and fixtures, equipment, and inventories, including goods received from third parties for job work. The incident has caused a significant loss to the Company's assets.

The estimated loss arising from the incident has been duly accounted for in the books of account for the year. The Company has lodged an insurance claim with its insurer, and a surveyor appointed by the insurance company is currently in the process of finalizing the assessment of the loss. Pending the final settlement of the claim, the Company has recognized the estimated claim receivable to the extent of the loss accounted.

Any amount of insurance claim receivable over and above the book value of the damaged fixed assets has been presented as an Exceptional Item in the Statement of Profit and Loss. The management is confident of recovering the claimed amount and will make any necessary adjustments in the books of account upon final determination of the claim by the insurer.

35. GENERAL:-

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

I. Significant or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future.

II. Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).

III. Details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Bank or Financial Institution.

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IV. Giving of loan to person in employment of the Company with a view to enabling him/her to purchase or subscriber for fully Paid-up Equity Shares in the Company.

V. Revision of Financial Statement and Board's Report.

VI. Pledge of Equity Shares of the Directors of the Company with any Bank or Financial Institution.

36. APPRECIATION:-

Your Directors thanks various Central and State Government Departments, Organizations and Agencies, for the continued help and co-operation extended by them.

The Directors also gratefully acknowledge all the Stakeholders of the Company viz. Customers, Members, Dealers, Vendors, Banks and other Business Partners, for the excellent support received from them during the year under review and look forward to their continued support in future. The Directors place on record their sincere appreciation to all the employees of the Company for their unstinted commitment and continued contribution to the Company.

FOR, MAHALAXMI FABRIC MILLS LIMITED

SD/-
SHRI JEETMAL B. PAREKH
CHAIRMAN
(DIN:- 00512415)

DATE:- 29TH MAY, 2025
PLACE:- AHMEDABAD

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MAHALAXMI FABRIC MILLS LIMITED

Annexure – I

Form No. MR – 3

Secretarial Audit Report

For the Financial year ended on 31st March 2025

[Pursuant to section 204(1) of the Companies Act 2013 and
Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014]

To
The Members of
MAHALAXMI FABRIC MILLS LIMITED
Mahalaxmi House, YSL Avenue,
Opp. Ketav Petrol Pump,
Polytechnic Road, Ambawadi,
Ahmedabad, 380015

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mahalaxmi Fabric Mills Limited (CIN: L17100GJ1991PLC015345) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of Mahalaxmi Fabric Mills Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Mahalaxmi Fabric Mills Limited having its Registered Office at Mahalaxmi House, YSL Avenue, Opp. Ketav Petrol Pump, Polytechnic Road, Ambawadi, Ahmedabad, 380015 for the financial year ended on 31st March, 2025 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under; (Not Applicable to the Company during Audit Period.)

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable to the Company during Audit Period.)
   (d) The Securities and Exchange Board of India (Share Based Employee Benefit and Sweat Equity) Regulations, 2021. (Not Applicable to the Company during Audit Period.)
   (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not Applicable to the Company during Audit Period.)
   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and
   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

(vi) No specific acts were applicable to the Company.

We have also examined compliance with following applicable clauses:

i) Secretarial Standards with respect to Meetings of Board of Directors and Committees (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective 1st July, 2015) and revised (SS-1) & (SS-2) were effective from 1st October, 2017.

ii) The Listing Agreement entered into by the Company with the Stock Exchanges, as per SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, guidelines, Standards etc. mentioned and there is an casual vacancy of Statutory Auditor which was duly compliance.

Sr. No.	Relevant Provision for Compliance Requirement	Particulars
01	Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019	The Auditor resigned because of the Ongoing peer review renewal.

We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test basis, the Company has complied with all the Laws applicable specifically to the Company.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, as the case may be. The changes in the composition of the Board of Directors that took place, during the period under review, were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the directors to schedule the Board Meetings, Agenda and detailed Notes on Agenda were sent at least seven days in advance for Meetings other than those held at shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting.

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

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Note: This Report is to be read with Our Letter of even date which is annexed as **Annexure "A"** and forms an integral part of this report.

Value Research

For, Malay Desai & Associates
Company Secretary

Malay Desai
Proprietor
Membership No: A48838
COP: 26051
Peer Review: 6426/2025
UDIN: A048838G000495009

Place: Ahmedabad
Date: 29.05.2025

Mahalaxmi Fabric Mills Limited

Annexure A to Secretarial Audit Report

To
The Members of
MAHALAXMI FABRIC MILLS LIMITED
Mahalaxmi House, YSL Avenue,
Opp. Ketav Petrol Pump,
Polytechnic Road, Ambawadi,
Ahmedabad, 380015

Our Report of even date is to be read along with this Letter;

1. Maintenance of Secretarial Record is the responsibility of the management of the company. Our responsibility is to express an opinion on Secretarial Records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

For, Malay Desai & Associates
Company Secretary

Value Research

Malay Desai
Proprietor
Membership No: A48838
COP: 26051
Peer Review: 6426/2025
UDIN: A048838G000495009

Place: Ahmedabad
Date: 29.05.2025

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Annexure – II

FORM NO. MR – 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2025

(Pursuant to Section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
MAHALAXMI EXPORTS PRIVATE LIMITED
(CIN:- U17299GJ2019PTC110673)
"Mahalaxmi House",
YSL Avenue, Opp. Ketav Petrol Pump,
Polytechnic Road, Ambawadi,
Ahmedabad - 380 015, Gujarat.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mahalaxmi Exports Private Limited (CIN:- U17299GJ2019PTC110673), (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of Mahalaxmi Exports Private Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Mahalaxmi Exports Private Limited having its Registered Office at Mahalaxmi House, YSL Avenue, Opp. Ketav Petrol Pump, Polytechnic Road, Ambawadi, Ahmedabad, 380015 for the financial year ended on 31st March, 2025 according to the provisions of:

(vii) The Companies Act, 2013 (the Act) and the Rules made there under;

(viii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under; (Not Applicable to the Company during Audit Period.)

(ix) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(x) Foreign Exchange Management Act 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

(xi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (Not Applicable to the Company during Audit Period.)
- (j) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (Not Applicable to the Company during Audit Period.)
- (k) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable to the Company during Audit Period.)
- (l) The Securities and Exchange Board of India (Share Based Employee Benefit and Sweat Equity) Regulations, 2021. (Not Applicable to the Company during Audit Period.)
- (m) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not Applicable to the Company during Audit Period.)
- (n) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (o) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - (Not Applicable to the Company during Audit Period); and
- (p) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - (Not Applicable to the Company during Audit Period);

(xii) No specific acts were applicable to the Company.

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Mahalaxmi Fabric Mills Limited

We have also examined compliance with following applicable clauses:

iii) Secretarial Standards with respect to Meetings of Board of Directors and Committees (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective 1st July, 2015) and revised (SS-1) & (SS-2) were effective from 1st October, 2017.

iv) The Listing Agreement entered into by the Company with the Stock Exchange , as per SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Not Applicable to the Company during Audit Period).

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

We further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test basis, the Company has complied with all the Laws applicable specifically to the Company.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, as the case may be. The changes in the composition of the Board of Directors that took place, during the period under review, were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the directors to schedule the Board Meetings, Agenda and detailed Notes on Agenda were sent at least seven days in advance for Meetings other than those held at shorter notice and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting.

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

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Note: This Report is to be read with Our Letter of even date which is annexed as **Annexure "A"** and forms an integral part of this report.

Value Research

For, Malay Desai & Associates
Company Secretary

Malay Desai
Proprietor
Membership No: A48838
COP: 26051
Peer Review: 6426/2025
UDIN: A048838G000616658

Place: Ahmedabad
Date: 17.06.2025

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Annexure A to Secretarial Audit Report

To,
The Members,
MAHALAXMI EXPORTS PRIVATE LIMITED
(CIN:- U17299GJ2019PTC110673)
"Mahalaxmi House",
YSL Avenue, Opp. Ketav Petrol Pump,
Polytechnic Road, Ambawadi,
Ahmedabad - 380 015, Gujarat.

Our Report of even date is to be read along with this Letter;

1. Maintenance of Secretarial Record is the responsibility of the management of the company. Our responsibility is to express an opinion on Secretarial Records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

Value Research

For, Malay Desai & Associates
Company Secretary

Malay Desai
Proprietor
Membership No: A48838
COP: 26051
Peer Review: 6426/2025
UDIN: A048838G000616658

Place: Ahmedabad
Date: 17.06.2025

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Mahalaxmi Fabric Mills Limited

Annexure – III

Details on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo

(Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014)

1. Conservation of energy:-

I. The steps taken or impact on conservation of energy:-

The Company has adopted the system of shutting down the electrical machinery and appliances when not in use to avoid unnecessary waste of energy. New investments in machines are being considered with an idea to have reduction of consumption of energy. The Company also has undertaken various initiatives towards green energy thereby contributing towards clean environment. Continuous efforts and initiatives are being planned in the coming years in this direction. The impacts of such measures are not precisely ascertainable.

II. The steps taken by the Company for utilising alternate sources of energy:-

The Company has taken initiatives to generate energy through renewable sources like solar power and windmills.

III. The capital investment on energy conservation equipments:-

Not Applicable

2. Technology absorption:-

I. The efforts made towards technology absorption:-

The Company is putting its best efforts towards technology absorption in its own laboratory, to improve the quality of products and to test and try the latest technological innovations.

II. The benefits derived like product improvement, cost reduction, product development or import substitution:-

The efforts towards technology absorption have resulted into improvement in quality of the products, increased efficiency of the machineries, keep costs of production under control and reduced wastages.

III. In case of imported technology (Imported during the last three years reckoned from the beginning of the Financial Year):-

a. The details of technology imported:- Not Applicable

b. The year of import:- Not Applicable

c. Whether the technology been fully absorbed:- Not Applicable

d. If not fully absorbed, areas where absorption has not taken place and the reasons thereof:- Not Applicable

IV. The expenditure incurred on Research and Development:-

Not Applicable

3. Foreign exchange earnings and outgo:-

(₹ in Lakhs)

Particulars	F.Y. 2024-25
Foreign exchange earnings	437.33
Foreign exchange outgo	72.28

FOR, MAHALAXMI FABRIC MILLS LIMITED

SD/-
SHRI JEETMAL B. PAREKH
CHAIRMAN
(DIN:- 00512415)

DATE:- 29TH MAY, 2025
PLACE:- AHMEDABAD

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Annexure – IV

Form No. AOC-1

Statement containing salient features of the Financial Statement of subsidiaries or associate Companies or joint ventures
(Pursuant to first proviso to Sub-Section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)

Part – A

Subsidiary

(₹ in Lakhs)

Name of the Subsidiary	Mahalaxmi Exports Private Limited
The date since when Subsidiary was acquired	01-04-2024
Reporting period for the Subsidiary concerned, if different from the Holding Company's reporting period	Not Applicable
Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of Foreign Subsidiaries	Not Applicable
Share Capital	300
Reserves and Surplus	1105.28
Total Assets	4735.26
Total Liabilities	3329.97
Investments	Nil
Turnover	8907.61
Profit before Taxation	573.52
Provision for Taxation	144.03
Profit after Taxation	429.49
Proposed Dividend	Nil
Extent of Shareholding (In percentage)	100%

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Notes:-

1. Names of Subsidiaries which are yet to commence operations:- Not Applicable
2. Names of Subsidiaries which have been liquidated or sold during the year:- Not Applicable

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Mahalaxmi Fabric Mills Limited

Part – B

Associate Companies and Joint Ventures

Name of Associates or Joint Ventures	Not Applicable
Latest audited Balance Sheet Date	
Date on which the Associate or Joint Venture was associated or acquired	
Shares of Associate or Joint Ventures held by the Company on the year end i. No. ii. Amount of Investment in Associates or Joint Venture iii. Extent of Holding (in percentage)	
Description of how there is significant influence	
Reason why the associate/Joint venture ls not consolidated	
Net worth attributable to shareholding as per latest audited Balance Sheet	
Profit or Loss for the year i. Considered in Consolidation ii. Not Considered in Consolidation	

Notes:

1. Names of associates or joint ventures which are yet to commence operations: Not Applicable
2. Names of associates or joint ventures which have been liquidated or sold during the year: Not Applicable

FOR, MAHALAXMI FABRIC MILLS LIMITED

Sd/-
Jeetmal B. Parekh
Chairman
(DIN:- 00512415)

Sd/-
Rahul J. Parekh
Director
(DIN:- 00500328)

Sd/-
Anand J. Parekh
Managing Director
(DIN:- 00500384)

Sd/-
Sangita S. Shingi
Director
(DIN:- 06999605)

Sd/-
Nehal M. Shah
Director
(DIN:- 00020062)

Sd/-
Indra B. Singhvi
Director
(DIN:- 0705413)

Sd/-
Rajshree Raol
Chief Financial Officer

Sd/-
Heer Yuvraj Pandya
Company Secretary
ICSI M. No.:- A64319

DATE: 29.05.2025
PLACE: AHMEDABAD

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Annexure – V

Form No. AOC-2

Disclosure of particulars of contracts/arrangements entered into by the Company with Related Parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under fourth proviso thereto

(Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts/arrangements/transactions not at arm's length basis:-

I. Name(s) of the Related Party and nature of relationship:- Not Applicable

II. Nature of contracts/arrangements/transactions:- Not Applicable

III. Duration of the contracts/arrangements/transactions:- Not Applicable

IV. Salient terms of the contracts/arrangements/transactions including the value, if any:- Not Applicable

V. Justification for entering into such contracts/arrangements/transactions:- Not Applicable

VI. Date(s) of approval by the Board:- Not Applicable

VII. Amount paid as advances, if any:- Not Applicable

VIII. Date on which the special Resolution was passed in general meeting as required under first proviso to section 188 : The resolution has been passed in AGM 30.09.2024 for the five financial year ended in 2029.

2. Details of contracts/arrangements/transactions at arm's length basis:-

(₹ in Lakhs)

Maximum value of contracts/arrangements/transactions for the Financial Year 2024-25		
(contracts/arrangements/transactions carried out in ordinary course of business)		
Nature of contracts/arrangements/transactions with the Related Parties	**Name of the Related Parties and nature of relationship**	**Value of the contracts/ arrangements/ transactions with each of the Related Party**
To sale goods and articles and/or To get job work done for party and/or To purchase goods and articles and/or To get job work done from party and/or To avail services from party and /or To provide services to party and /or To appoint to any office or place of profit (Including sell, purchase or otherwise dispose/ acquire property if any kind and/or Letting/ Leasing of property of any kind)	Mahalaxmi Rubtech Limited (Associate)	Nil
	Mahalaxmi Exports Private Limited (Wholly Owned Subsidiary)	1434.93
	Globale Tessile Limited (Associate)	1112.79
	Anand Chem Industries Pvt Ltd (Associate)	213.20
	Mahalaxmi Calchem Private Limited (Associate)	Nil
	M/s. Mahalaxmi Exports (Associate)	1119.49
	M/s. Rahul Textile (Associate)	1.17

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Mahalaxmi Fabric Mills Limited

Directors/Relatives of Directors and Other Firms and Companies in Which all or any of the following namely Shri Jeetmal B. Parekh, Shri Rahul J Parekh and Shri Anand J. Parekh are interested as per the provisions of Section 2(76) of the Companies Act, 2013.

I. Name of the Related Party and nature of relationship:- As provided in the table above.

II. Nature of the contracts/arrangements/transactions:- As provided in the table above.

III. Duration of the contracts/arrangements/transactions: 2024-25

IV. Salient terms of the contracts/arrangements/transactions including the value, if any:- Not Applicable

V. Date of approval at the Board Meeting held on 14.08.2024 for Five Financial Year till 2028-29.

VI. Amount paid as advance, if any:- Nil

VII. Justification for the Related Party Transactions held during the F.Y. 2024-25: The transactions took place with the all the Related Parties are in ordinary course of business and on arm's length basis. The Board has approved the same as disclosed above. Further, there is no adverse effect on interest of any Member, Financial Institution, Creditors or Society at large because of this transactions.

FOR, MAHALAXMI FABRIC MILLS LIMITED

SD/-
SHRI JEETMAL B. PAREKH

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DATE:- 29TH MAY, 2025
PLACE:- AHMEDABAD

CHAIRMAN
(DIN:- 00512415)

Annexure – VI

**Details under Section 197 of the Companies Act, 2013 read with Rule 5(1)
of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

A. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2024-25 and the percentage increase in remuneration of each Director in the Financial Year 2024-25:-

Name of Directors	Designation	Ratio of remuneration of the Directors to the median remuneration of the employees	% increase in remuneration
Shri Jeetmal B. Parekh	Director	Not Applicable	Not Applicable
Shri Rahul J. Parekh	Director	Not Applicable	Not Applicable
Shri Anand J. Parekh	Managing Director	8:123:1	Not Applicable

B. The percentage increase in the median remuneration of employees in the Financial Year 2024-25:- Nil

C. There were 96 permanent employees on the rolls of Company as on 31st March, 2025.

D. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year was Nil and percentile increase in the managerial remuneration was Nil.

E. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors and other employees.

FOR, MAHALAXMI FABRIC MILLS LIMITED

SD/-
SHRI JEETMAL B. PAREKH
CHAIRMAN
(DIN:- 00512415)

DATE:- 29TH MAY, 2025
PLACE:- AHMEDABAD

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Mahalaxmi Fabric Mills Limited

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC OVERVIEW & OUTLOOK GLOBAL ECONOMY:

Growth & Inflation Outlook*

The global economy is still grappling with major challenges. Slower growth, stubborn inflation, and increasing geopolitical instability are all contributing factors. Leading economic organizations recently predicted a decline in worldwide economic activity, with the United States and China being particularly affected. Higher US tariffs are likely to affect the global economy by increasing inflation and slowing growth, though a worldwide recession isn't expected. The global economy seems to be settling into a low-growth pattern, which won't be enough to support long-term economic development. To boost growth and development, global and national policies are needed to improve the external economic environment, enhance macroeconomic stability, ease structural limitations, and address climate change. Global economic growth forecasts for 2025 are looking grim, with major organizations predicting a significant slowdown. The United Nations Conference on Trade and Development (UNCTAD) projects a low 2.3% growth, attributing it to escalating trade tensions and ongoing uncertainties. The International Monetary Fund (IMF) has also cut its 2025 forecast sharply to 2.8% from an earlier 3.3%. Similarly, the Peterson Institute for International Economics (PIIE) expects global GDP growth to slow to 2.7% in 2025, with only a slight improvement to 2.8% in 2026, a notable drop from 2024's 3.2% growth.

ECONOMIC OVERVIEW & OUTLOOK GLOBAL ECONOMY

The global economy is at a critical juncture, with significant internal and external imbalances and vulnerabilities. Major policy shifts are underway, generating a new wave of uncertainties with potentially significant implications for the functioning of the global economy. The global economic outlook for 2025 is characterized by slower growth, with the US trade policy playing a significant role in shaping the landscape. The average US duties remain historically elevated, continuing to exert a drag on global trade and activity. This uncertainty surrounding US trade policy is expected to contribute to slower global growth, with advanced economies projected to grow by only 1.2%. The ongoing war situations in Russia and Ukraine and escalating war situation in middle east countries can present significant risk of oil price surges, straining public finances and raising inflation. Disruption of trade routes can lead to higher shipping and insurance costs and volatility in financial markets which may lead to investors shift towards safe-haven assets. The emerging geopolitical landscape presents a cautious and complex picture of the global economy for the year 2025. Escalating trade tensions and policy uncertainty and escalating war situations are major drivers for the economic outlook. The divergent and swiftly changing policy positions and deteriorating sentiment could lead to tighter global financial conditions.

Demographic shifts threaten fiscal sustainability, while the recent cost-of-living crisis may reignite social unrest. The financial market landscape is marked by increased uncertainty and market volatility, against the backdrop of stretched valuations within many segments of financial markets. Global growth is projected to decline, following a period of steady but underwhelming performance. As per the IMF report of April 2025, the global growth is expected to decline to 2.8% in 2025 and 3% in 2026, down from 3.3% in both 2024 and 2023. Advanced economies are projected to grow at 1.4% in 2025, with the US slowing to 1.8% and the Europe at 0.8% and emerging market and developing economies are expected to slow down to 3.7% in 2025 and 3.9% in 2026. **

INDIAN ECONOMY:

India is projected to continue its lead as the fastest growing major economy in 2025, with a 6.5% growth rate, according to reports from both the World Bank and UNCTAD. This growth will likely be fueled by sustained momentum in the services sector and an acceleration in manufacturing activity, thanks to government efforts in improving logistics infrastructure and implementing tax reforms. India stands out among countries driving global growth through increased government spending and supportive monetary policies. While robust domestic demand, a shrinking trade deficit, and controlled inflation are bolstering its economy, persistent weak global demand continues to pose trade challenges. Although the risk of foreign investor outflows remains, a rise in domestic investment offers a significant buffer. The Reserve Bank of India's (RBI) proactive policies have also been instrumental in stabilizing liquidity and managing inflation expectations. Overall, India's economic outlook is strong, but global market uncertainties, financial volatility, and trade disruptions remain key risks. Continued policy support and domestic resilience will be vital to maintaining this economic momentum.

TEXTILE INDUSTRY GLOBAL TEXTILE INDUSTRY:

The Indian textile and apparel industry, a cornerstone of the national economy, contributes significantly to GDP, industrial output, and employment. The industry is undergoing a significant transformation, driven by evolving consumer behavior, technological advancements, and a greater focus on sustainability. Key developments include a noticeable shift from unbranded to branded products, the rapid growth of e-commerce and omnichannel retail, and increasing demand for casual wear and specialized product categories like ethnic wear. Government support through initiatives like the Production-Linked Incentive (PLI) scheme continues to encourage domestic manufacturing and investment in the sector.

INDIAN TEXTILE INDUSTRY:

The Indian textile and apparel industry, a cornerstone of the national economy, contributes significantly to GDP, industrial output, and employment. The industry is undergoing a significant transformation, driven by evolving consumer behavior, technological advancements, and a greater focus on sustainability. Key developments include a noticeable shift from unbranded to branded products, the rapid growth of e-commerce and omnichannel retail, and increasing demand for casual wear and specialized product categories like ethnic wear.

*Source: IMF World Economic Outlook 2025 and ** IMF World Economic Outlook 2025/ critical juncture and amid policy shifts

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Government support through initiatives like the Production-Linked Incentive (PLI) scheme continues to encourage domestic manufacturing and investment in the sector.

The Indian textile and apparel industry, a vital pillar of the national economy, plays a significant role in contributing to GDP, industrial output, and employment. Traditionally rooted in rich craftsmanship and cultural diversity, the industry is currently experiencing a dynamic transformation driven by changing consumer preferences, technological advancements, and a heightened focus on sustainability. One of the most notable shifts is the movement from unbranded to branded products, reflecting rising consumer awareness and demand for quality. The rapid growth of e-commerce and the adoption of omnichannel retail strategies are reshaping the market landscape, offering broader reach and convenience for both consumers and businesses. Additionally, there is a growing preference for casual wear and specialized product categories such as ethnic wear and athleisure, influenced by evolving lifestyles and fashion trends. Technological innovations, including automation, digital tools, and sustainable production methods, are further enhancing efficiency and product differentiation. Supporting this transformation, government initiatives like the Production-Linked Incentive (PLI) scheme are encouraging domestic manufacturing, attracting investments, and strengthening the industry's global competitiveness.

Traditional sectors like handloom and small-scale power loom units are the biggest source of employment for millions of rural and semi-urban artisans and weavers. It provides direct and indirect employment and a source of livelihood to millions of Indians, including a large number of rural women and youth. Make in India, Skill India, Women Empowerment, and Rural Youth Employment are all significant government programs that the sector is aligned with perfectly. The government's focus has been on increasing textile manufacturing by building best-in-class manufacturing infrastructure, upgrading technology, fostering innovation, and enhancing skills and traditional strengths in the sector for making India's development inclusive and participative.

BUSINESS OVERVIEW

The Company has continued to sustain its overall performance during the Financial Year 2024-25, supported by stable business operations. However, the Traditional Textiles Processing Division experienced a decline compared to previous years, primarily due to a significant increase in the cost of raw materials, coal-based power and fuel, and logistics. In addition to these challenges, on 24th November 2024, a major fire broke out at the Company's factory premises, causing extensive damage to buildings, plant and machinery, furniture, equipment, and inventories, including third-party goods received for job work. This unforeseen incident resulted in a substantial loss of assets and temporarily impacted production activities and operational efficiency. The estimated loss has been accounted for in the books, and an insurance claim has been filed with the insurer. The survey process is ongoing, and the Company is confident of recovering the claimed amount.

Despite these setbacks, the Board of Directors has continued to make strong efforts across all operational areas, including marketing, finance, and cost control, which have started delivering positive outcomes. The outlook for the Company's products remains promising, and management is confident of achieving improved operational performance in the coming months.

To ensure maximum customer satisfaction and strengthen business relationships, the Company is continuously upgrading its infrastructure. Special focus is placed on adopting sustainable and value-driven business practices that benefit all stakeholders. The Company's dedicated team, with deep industry experience, remains committed to sourcing and delivering high-quality cotton fabric that meets stringent quality standards.

Your Company has reported on a Standalone basis, Income from Operations & other Income ₹ 6488.96 Lakhs as against ₹ 9025.02 Lakhs in the previous year, Profit before Tax ₹ 483.53 (this profit is inclusive of exceptional item of ₹ 1284.88 Lakhs as against Loss of ₹ (234.59) Lakhs in the previous year, Net Profit after Tax ₹ 361.59 Lakhs as against Loss of ₹ (191.83).

And your Company has reported on a Consolidated basis, Income from Operations & other Income 15518.98 Lakhs as against 17036.77 Lakhs in the previous year, Net Profit before Tax 1057.04 Lakhs as against 213.27 Lakhs in the previous year, Net Profit after Tax 791.07 Lakhs as against 142.27 Lakhs in previous year.

INDUSTRY STRUCTURE AND DEVELOPMENT:

Pursuant to the Scheme, First Demerged Undertaking i.e. Traditional Textiles Processing Division along with Wind power division of MRT has been transferred to MFML. In the Traditional Textiles Processing Division, it mainly engaged in bleaching, dyeing, printing and finishing and at the end of the chain, its fabric range goes into apparels and home textiles, catering to Domestic as well as Global Market. The company has end-to-end complete facility of processing various types of fabrics such as cotton, polyester, Bottom-weight and other blends.

This strategic restructuring enables MFML to operate as a vertically integrated textile player, supported by captive wind power and robust manufacturing infrastructure. The streamlined focus on its core processing capabilities is expected to enhance operational efficiency, drive economies of scale, strengthen margins, and offer more focused leadership and management attention to the textile business

STRENGTH AND WEAKNESS:

The Indian Textile Industry has long been a cornerstone of the Indian economy, contributing significantly to both employment and exports. From the historic Charkha Movement led by Mahatma Gandhi to the contemporary Vocal for Local campaign championed by the Prime Minister, this sector has remained at the forefront of national economic and cultural identity. The essential nature of textiles is embedded in the Indian ethos, as reflected in the phrase "Roti, Kapda aur Makaan"—underscoring the fundamental human need for clothing and the sector's intrinsic value. India enjoys a competitive advantage in textiles due to the abundant availability of skilled yet cost-effective labor and its position as the world's third-largest cotton producer. The industry is largely autonomous, managing everything from raw material procurement to final product delivery. This vertical integration, along with robust entrepreneurial activity, has positioned India as a key player in the global textile value chain.

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Mahalaxmi Fabric Mills Limited

Recent years have witnessed transformative changes in the Indian textile landscape. Rising aspirations and growing brand consciousness among Indian consumers are fueling premiumization and casualization trends. Demand is shifting toward higher-quality, versatile casual wear, particularly among urban youth and middle-class consumers. Simultaneously, the rapid expansion of organized retail infrastructure, including in Tier 2 and Tier 3 cities, is opening new markets and increasing brand visibility for domestic and global players alike.

The Government of India, through the Ministry of Textiles, has implemented several initiatives aimed at strengthening the sector. Programs like the Technology Upgradation Fund Scheme (TUFS) and the Production-Linked Incentive (PLI) Scheme are designed to facilitate modernization, promote domestic manufacturing—especially in man-made fibers (MMF) and technical textiles—and enhance global competitiveness. These initiatives seek to boost value addition, improve technology depth, and drive export growth.

Despite these strengths, the Indian textile industry continues to face significant challenges. Many segments, particularly spinning and processing, suffer from technological obsolescence, which leads to higher production costs and reduced competitiveness—especially against low-cost imports. Rapidly evolving consumer preferences, intensified global competition, and a dynamic industrial environment add further risk and uncertainty.

However, the global 'China Plus One' strategy—where brands seek to diversify their manufacturing base beyond China—offers a timely opportunity for India to expand its share in global textile and apparel exports. Potential Free Trade Agreements (FTAs), such as those under negotiation with the UK and the EU, could further enhance India's export potential and integration into global supply chains.

In summary, the Indian textile industry is at a pivotal moment. While legacy issues around outdated infrastructure persist, strategic government support, rising domestic demand for premium and casual products, growing retail penetration, and global shifts in sourcing provide a strong foundation for sustainable growth and global relevance.

OPPORTUNITIES AND THREATS:

The Indian textile and apparel industry is witnessing a dynamic transformation driven by emerging consumption patterns and strategic global realignments. Premiumization and casualization are key trends, fueled by an aspirational consumer base and increasing brand consciousness, resulting in rising demand for premium products and versatile, everyday casual wear. Simultaneously, the expansion of organized retail, particularly in Tier 2 and Tier 3 cities, is unlocking new avenues for growth, deeper market penetration, and enhanced brand visibility. Government initiatives such as the Production-Linked Incentive (PLI) scheme are further strengthening the domestic textile manufacturing ecosystem, with a focused push on man-made fibers (MMF) and technical textiles to boost innovation and value addition. In the global arena, the 'China Plus One' strategy—adopted by many international brands to reduce reliance on Chinese manufacturing—presents a significant opportunity for Indian exporters to expand their global footprint. Prospective Free Trade Agreements (FTAs), including one with the United Kingdom, could further enhance India's export competitiveness and support its ambition to emerge as a key sourcing and manufacturing hub

Despite its vast potential, the Indian textile industry continues to grapple with several structural and external challenges. Intense competition from low-cost manufacturing hubs such as Bangladesh and Vietnam poses a significant threat, as these countries benefit from superior cost efficiencies and economies of scale. Moreover, the sector is vulnerable to input cost volatility, particularly in the pricing of raw materials like cotton, which directly impacts profitability and pricing flexibility. The situation has been further exacerbated by subdued consumer demand, as observed in FY25, where weak spending trends across both domestic and key international markets constrained volume growth. In addition, the growing global emphasis on sustainability and regulatory compliance has brought Environmental, Social, and Governance (ESG) considerations to the forefront. Meeting these expectations requires substantial investment in eco-friendly processes, waste reduction, and supply chain transparency—posing both a challenge and an opportunity for forward-looking firms within the industry.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

KEY RISKS & CONCERNS

The Textile industry is always subject to facing crisis in a cyclical way. Timely action is needed to overcome this situation by taking corrective and proactive steps, then and there.

The Textile business, like other businesses, is susceptible to various risks. The primary risk factor is raw material prices, mainly cotton and the biggest component of cost. Cotton prices are increasing regularly as are other input costs including power, fuel and logistics. Since cotton is an agricultural produce, it suffers from climatic and seasonal volatility. Whereas such volatility in case of a product higher in the textile value chain is generally passed through an increase in value added products in the basket provides insulation against such volatilities.

The Company monitors price fluctuations and follows inventory management and responsive procurement policy to ensure timely procurement of raw materials at competitive prices. It also engages in contracts with clients and tries to pass on variations in the prices of raw materials to them to protect margins.

The ongoing geopolitical conflicts in the Middle East and Europe, particularly the Russia-Ukraine war, have severely disrupted global supply chains, adversely affecting trade flows and increasing volatility across markets. As a company with a predominantly export-oriented business model, such disruptions—coupled with persistently high container shipping costs, limited availability, and frequent delays—pose serious operational challenges. Domestically, inadequate and inefficient logistics infrastructure continues to contribute to longer transit times and elevated costs, further impacting competitiveness.

In parallel, the global economic slowdown, heightened inflationary pressures, and the threat of a looming recession in key markets such as the US and Europe have led to demand compression both at home and abroad. Moreover, escalating tariff barriers imposed by the US on

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several imported goods—part of its ongoing trade policy shift—have created additional hurdles for Indian exporters. The prolonged Russia-Ukraine conflict has not only strained energy prices and global freight movement but also contributed to elevated uncertainty in export destinations, weakening consumer sentiment. These compounded factors collectively threaten to reduce the Company's business volumes and profitability in the near to medium term.

The Company is susceptible to disasters and crises such as , cyclones, earthquakes, geopolitical instability, fire hazards, etc. which may cause operational disruption, shutdown or production cuts, project delays, supply chain hurdles, and increased construction costs. Compliance issues with the environmental norms and regulations and supply chain challenges continue to be issues of concern.

INTERNAL CONTROL SYSTEM:

The Company has an adequate system of internal control implemented by the Management towards achieving efficiency in operations, optimum utilization of resources and effective monitoring thereof and compliance with applicable laws. The internal control is supplemented by an extensive programme of Internal Audits.

The Internal Audit programme is finalized in consultation with the Internal Auditors and the Audit Committee of the Board. The Audit Committee is briefed on the findings by the Internal Auditors, every quarter, along with the remedial actions that have been recommended or have been taken by the Management to plug systemic weaknesses. The audit committee of the Board meets periodically to review various aspects of the performance of the Company and also review the adequacy and effectiveness of the internal control system and suggests improvement for strengthening then from time to time.

The Company maintains an efficient internal control system commensurate with the size, nature and complexity of its business. The internal control system is responsible for addressing the evolving risks in the business, reliability of financial information, timely reporting of operational and financial transactions, safeguarding of assets and stringent adherence to the applicable laws and regulations. The internal auditors of the Company are responsible for regular monitoring and review of these controls. The Audit Committee periodically reviews the audit reports and ensures correction of any variance, as may be required. Key observations are communicated to the management who undertakes prompt corrective actions.

FINANCIAL AND OPERATIONAL PERFORMANCE:

The The Company continues to sustain its overall performance in the Financial Year 2024-25 driven by the average performance in the business. The Traditional Textiles processing division performance is continue plunged to some extent as compared to the previous years due to a significant increase in the cost of raw materials, cost of coal power-fuel and logistics.

During FY 2024-25, the company faced significant challenges, including a major fire incident. Additionally, the market experienced intermittent bouts of volatility driven by domestic developments and ongoing uncertainty regarding the evolution of global financial markets. These factors collectively had a substantial impact on market sentiment and liquidity conditions.

Particulars	FY 2024-25	FY 2023-24	% change
Debtor Turnover (Times)	3.88	3.77	-33.49
Inventory Turnover (Times)	92.04	134.08	-31.36
Interest Coverage Ratio (Times)	4.50	1.05	-32.30
Current Ratio (Times)	1.22	1.07	14.05
Debt Equity Ratio (Times)	1.97	1.88	4.80
Operating Profit Margin (%)	-0.18	2.41	-2.59
Net Profit Margin (%)	5.19	0.85	-510.16

During the current Financial Year there has been marginally decrease in Operating Profit and Net Profit Margin mainly due to volatility in market globally of Textile Products in which your Company operates.

As of March 31, 2025, the Company's Net Worth stood at ₹8,680.37 lakhs, which includes the impact of the exceptional item previously mentioned. The Return on Net Worth (RoNW) for the year 2024-25 showed a marked improvement, rising to 4.86% from -2.14% recorded in 2023-24.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT:

Your Company continues to have cordial and harmonious relations with its employees at all levels during the period under review. The Company also puts emphasis on formal training and development programmes to operators and workers, as a core activity and provides continuous training, both internally and externally, for the upgradation of employee skills. The operations of the Company across functions have been strengthened through the induction of appropriately qualified and experienced manpower.

Management identifies the potential of each employee and endeavors by providing them right opportunity to grow. Management of your Company strongly focuses on the performance of the managers. The Board acknowledges it's thanks to all the works floor personnel and other employees for making significant contribution to your Company.

The Company considers its employees as the most important asset and integral to its competitive position. It has a well designed HR policy that promotes a conducive work environment, inclusive growth, equal opportunities and competitiveness and aligns employees' goals with the organisation's growth vision. Its human resource division plays a crucial role to build a strong and talented workforce. It provides

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opportunities for professional and personal development and implements comprehensive employee engagement and development programmes to enhance the productivity and skills of its employees

Our positive approach to competency, development and retention allows attracting, retaining and built the best team. The Company attaches priority to human resource development, with focus on regular up-gradation of the knowledge and skills of our employees and equipping them with the necessary expertise to meet the challenges of change and growth successfully. Industrial Relations were cordial and satisfactory.

RESEARCH & DEVELOPMENT:

Increased globalization has made the sale of products and retaining of customers highly competitive. To overcome a significant volatility in the market, the need of the hour is high customer satisfaction and value for money from the product. Keeping the above objective as paramount, the research and development activities were focused into attending major customer complaints/suggestions in order to improve customer satisfaction. Your Directors are pleased to inform that the above efforts have lead to considerable reduction of customer complaints. Your Company has successfully launched products of better quality with new aesthetic look as per customer requirements. Further your Company also plans to make new investments for upgrading and modernizing their R & D facilities.

CAUTIONARY STATEMENT:

Comments in this Management Discussion and Analysis outlining the Company's strategies and objectives are believed by the Management to be true and to the best of its knowledge but at the time of preparation actual results may differ materially from those expressed or implied and hence the Company and the Management shall not be held responsible for any loss which may arise as a result of any action taken on the basis of information contained herein.

Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and outside the country and other factors such as litigation and industrial relations.

FOR, MAHALAXMI FABRIC MILLS LIMITED

SD/-
SHRI JEETMAL B. PAREKH
CHAIRMAN
(DIN:- 00512415)

DATE:- 29TH MAY, 2025
PLACE:- AHMEDABAD

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CORPORATE GOVERNANCE

Yours Directors present the Company's Report on Corporate Governance, for the Financial Year ended on 31st March, 2025, in terms of Regulation 34(3) read with Schedule V of the SEBI (LODR) Regulations, 2015.

Corporate Governance is modus operandi of governing a Corporate entity which includes a set of systems, procedures and practices which ensure that the Company is managed in the best interest of all the Corporate Stakeholders i.e. shareholders, employees, suppliers, customers and society in general. Fundamentals of Corporate Governance includes transparency, accountability, reporting and independence. For accomplishment of the objectives of ensuring fair Corporate Governance, the Government of India has put in place a framework based on the stipulations contained in the Companies Act, 2013, the SEBI (LODR) Regulations, 2015, Accounting Standards and Secretarial Standards, etc. Corporate Governance has become a buzzword in the Corporate world. Globalization, widespread of Shareholders, changing ownership structure, greater expectations, etc., have made a good Corporate Governance sine quo nun of modern Management.

1. Brief statement on the Company's philosophy on Code of Governance:-

Your Company's Philosophy on the Corporate Governance is built on rich legacy of fair, transparent and effective governance which includes strong emphasis on human values, individual dignity and adherence to honest, ethical and professional conduct. The Company remained committed towards protection and enhancement of overall long-term value for its entire stakeholder, customer, lender, employee and society. As a Corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust of our Stakeholders. The Company's Code of Business Conduct and Ethics, Internal Code of Conduct for Regulating, Monitoring and Reporting of Trading by Designated Persons and the Charter Business for Peace are an extension of our values and reflect our commitment to ethical business practices, integrity and regulatory compliances.

The Company adheres to good corporate practices and is constantly striving to make them better. The Company strongly supports the principles of Corporate Governance. Further the Board lays emphasis on transparency, accountability and integrity in all its operations and dealings with outsiders. Your Company has complied, from to time, with all material respects with the features of Corporate Governance Code as prescribed in Regulation 17 to 27; Clauses (b) to (i) & (t) of Regulation 46 and Para C, D & E of Schedule V of the SEBI (LODR) Regulations, 2015 and some of the practices followed by the Company on Corporate Governance.

2. Board of Directors:-

The Board of Directors are entrusted with an ultimate responsibility of the Management, directions and performance of the Company. As their primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's Management while discharging their responsibilities, thus ensuring that the Management adheres to ethics, transparency and disclosures in a true letter and spirit.

I. Board of Directors:-

As on 31st March, 2025, the Board consist of 6 (Six) Directors of whom one is Non-Executive-Non-Independent Chairman, two are Executive Directors and three are Non-Executive-Independent Directors.

During the year under review, total 17 (Seventeen) Board Meetings were held respectively on 01.04.2024, 03-04-2024, 18-04-2024, 19-04-2024, 29-04-2024, 10-05-2024, 30-05-2024, 19-07-2024, 14-08-2024, 17-08-2024, 27-08-2024, 23-09-2024, 14-11-2024, 22-11-2024, 25-11-2024, 17-01-2025 and 11-02-2025. The interval between any two of the Board Meetings did not exceed 120 days.

As on 31st March, 2025, the category of Directors and their attendance at the Board Meetings during the year and also number of other Directorships/Membership of the Committees are as follows:-

Name of Director	Category of Directorship	No. of Board Meetings Attended	Whether Attended Last AGM i.e. 30.09.2024	No. of other Directorships*	Committees of the Board	
					Memberships **	Chairmanships **
Shri Jeetmal B. Parekh	E-NID-P	17	Yes	7	0	0
Shri Rahul J. Parekh	NID-P	16	Yes	9	3	0
Shri Anand J. Parekh	Managing Director	16	Yes	8	6	0
Smt Sangita S. Shingi	NE-ID (WD)	15	Yes	7	4	0
Shri Nehal M. Shah	NE-ID	14	Yes	10	6	3
Smt Indra B. Singhvi	NE-ID (WD)	14	Yes	2	2	2

* Directorship in the Private Limited Company has also been counted.

** As required under the SEBI (LODR) Regulations, 2015, Memberships and Chairmanships of the Audit Committee and the Stakeholders Relationship Committee in the Public Limited Companies, whether listed or not, including this Company has been counted. And, all other Companies including the Private Limited Companies, Foreign Companies, High Value Debt Listed Company and Companies under Section 8 of the Companies Act, 2013 have been excluded.

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Mahalaxmi Fabric Mills Limited

NE-NID-P:- Non-Executive-Non-Independent Director-Promoter, MD-P:- Managing Director-Promoter, JT MD-P:- Joint Managing Director-Promoter, NE-ID:- Non-Executive-Independent Director, WD:- Woman Director.

The number of Directorships, Committee Memberships/Chairmanships of all the Directors are within respective limits prescribed under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

Smt. Sangita Shingi is a Non-Executive-Independent Director of a Listed Entity namely Riddhi Siddhi Gluco Biols Limited, Mahalaxmi Rubtech Limited. And Globale Tessile Limited. Smt. Indra B. Singhvi is a Non-Executive-Independent Director of a Listed Entity namely Globale Tessile Limited, And, Shri Nehal M. Shah was a Non-Executive-Independent and Shareholder Director of a Listed Entity namely Mahalaxmi Rubtech Limited and Globale Tessile Limited. Other Directors are not holding Directorship in any other Listed Entity except your Company, as on 31st March, 2025.

Shri Rahul J. Parekh and Shri Anand J. Parekh are sons of Shri Jeetmal B. Parekh. Rest of the Directors are not having relationship with each other.

The Board of Directors of the Company, in its Meeting held on 29th April, 2024, have appointed, below mentioned Key Managerial Personnel:-

a. Smt. Rajshree Raol, Chief Financial Officer; and

b. Shri Naresh Vasudevbhai Kanzariya, Company Secretary From 01st June, 2024 upto 16th January, 2025

c. Smt. Heer Yuraj Pandya, Company Secretary (w.e.f .17th January, 2025)

The number of Directorships, Committee Memberships/Chairmanships of all the Directors are within respective limits prescribed under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

Shri Rahul J. Parekh and Shri Anand J. Parekh are sons of Shri Jeetmal B. Parekh. Rest of the Directors are not having relationship with each other.

As on 31st March, 2025, Shri Jeetmal B. Parekh, Shri Rahul J. Parekh and Shri Anand J. Parekh are holding Directorship in three Listed Entity i.e. Mahalaxmi Rubtech Limited, Globale Tessile Limited and Mahalaxmi Fabric Mills Limited.

II. Matrix setting out the names of the Directors who have Skills/expertise/competencies of the Board in the context of its business and sector for it to function effectively:-

Name of the Director	Skills/expertise/competencies				
	Experience of crafting Business Strategies	Governance, Risk and Compliance	Finance and Accounting experience	Sales, Marketing & Brand building	Understanding of Consumer and Customer Insights in diverse environments and conditions
Shri Jeetmal B. Parekh	✓	✓	✓	✓	✓
Shri Rahul J. Parekh	✓	✓	✓	✓	✓
Shri Anand J. Parekh	✓	✓	✓	✓	✓
Smt. Sangita S. Shingi		✓	✓		✓
Shri Nehal M. Shah	✓		✓	✓	✓
Smt. Indra B. Singhvi			✓	✓	✓

III. Information placed before the Board:-

Minimum information as set out in Regulation 17 read with Schedule II Part A of the SEBI (LODR) Regulations, 2015, have been placed before the Board of Directors, to the extent it is applicable and relevant. Such information is submitted either as a part of the agenda papers in advance of the respective Board Meetings or by way of presentations and discussions, during the Board Meetings.

IV. Roles, responsibilities and duties of the Board:-

The duties of the Board of Directors have been enumerated in the SEBI (LODR) Regulations, 2015, Section 166 and Schedule IV of the Companies Act, 2013 (Schedule IV is specifically for the Independent Directors). There is a clear demarcation of responsibility and authority amongst the Board of Directors.

V. Number of Shares and convertible instruments held by Non-Executive Directors:-

Below mentioned Non-Executive Directors are holding Equity Shares of the Company as on 31st March, 2025:-

Sr. No.	Name of Director	Number of Shares held
1	Shri Jeetmal B. Parekh	12,89,513
2	Shri Rahul J. Parekh	18,37,710

The Company does not have any outstanding convertible instruments, as on 31st March, 2025.

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VI. Meetings of Independent Directors:-

The Company's Independent Directors shall meet at least once in every F.Y. without the presence of Executive Directors or Management Personnel. Such separate Meeting shall be conducted to enable the Independent Directors to discuss matters pertaining to the Company's affairs. During the year under review, the meeting of the Independent Directors was Held on 21st February, 2025. The Familiarization Programme for Independent Directors was conducted and it is available at the Company's website and the same may be accessed on the Company's website at the link:- https://www.mahalaxmigroup.net/MFML/images/investors-pdf/familirization_programme_for_2024_25.pdf

In the opinion of the Board, the Independent Directors fulfil the conditions specified in the SEBI (LODR) Regulations, 2015 and are independent of the Management.

3. Audit Committee:-

I. Composition:-

As on 31st March, 2025, the Audit Committee comprises of total 4 (Four) Members including 1 (One) Chairman. In composition of the Audit Committee, 3 (Three) are Non-Executive-Independent Directors forming majority and 1 (one) is Non-Executive-Non-Independent Director. The Chairman of the Audit Committee is Smt. Indra B. Singhvi, a Non-Executive-Independent Director and, other Members are Shri Anand J. Parekh, Smt. Sangita S. Shingi and Shri Nehal M. Shah. The Company Secretary acts as a Secretary to the Audit Committee. All Members of the Audit Committee are financially literate and bring in expertise in the field of finance, taxation, accounts, management expertise, risk and international finance; and One Member has accounting and related financial management expertise.by the Board, from time to time.

II. Meetings and attendance:-

The Audit Committee met total 6 (Six) times, during the year under review, respectively on 30.05.2024, 19.07.2025, 14.08.2024, 23.09.2024, 14.11.2024 And 11.02.2025 . The attendance of the Members at each Meeting was as follows:-

Name of Member	Category	Designation	Attendance at Committee Meetings during FY 2024-25	
			Number of Meetings held	No. of Meetings Attended
Smt. Indra B. Singhvi	Non-Executive- Independent Director	Chairman	6	6
Shri Anand J. Parekh	Managing Director	Member	6	5
Smt. Sangita S. Shingi	Non-Executive- Independent Director	Member	6	6
Shri Nehal M. Shah	Non-Executive- Independent Director	Member	6	6

III. Brief description of terms of reference:-

The terms of reference and powers of the Audit Committee cover the matters specified for the Audit Committees under Regulation 18 read with the Schedule II - Part C - Para A of the SEBI (LODR) Regulations, 2015 and also as required under Section 177 of the Companies Act, 2013.

The Audit Committee reviews and satisfies that the Company's internal audit function is adequately resourced and has appropriate standing within the Company. The Audit Committee also review:-

a. Management discussion and analysis of the financial condition and results of operations;

b. Internal Audit Reports relating to internal control weaknesses;

c. Quarterly/Annual Financial Statements with the Statutory Auditors and the Management before submission to the Board;

d. Internal control systems, findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

e. Internal audit function, Internal Audit Reports relating to internal control weaknesses and functioning of the Whistle Blower Mechanism;

f. Evaluation of the internal financial controls and risk management systems;

g. Management discussion and analysis of the financial condition, results of operation financial and Risk Management Policies of the Company;

h. Compliance with listing and other legal requirements relating to the Financial Statements;

i. Changes, if any, in accounting policies and practices and reasons for the same, major accounting entries involving estimates based on the exercise of judgement by the Management and significant adjustments made in the Financial Statements arising out of the audit findings;

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j. Valuation of undertakings or assets of the Company, as and when required as per the charter and the terms of reference of the Audit Committee;

k. Recommends appointment of the Auditors and their remuneration; and

l. Discusses the scope of the audit and post-audit area of concern and qualifications, if any, with Statutory Auditors/ Internal Auditors.

The Audit Committee reviews the quarterly unaudited and annual audited financial results of the Company. The unaudited financial results are subjected to a Limited Review by the Statutory Auditors, who are eligible to issue the Limited Review Report in accordance with the applicable provisions, having undergone the peer review process of the Institute of Chartered Accountants of India (ICAI) and holding a valid Peer Review Certificate issued by the Peer Review Board of ICAI.

During the year under review, the Statutory Auditors of the Company resigned. The Audit Committee, after evaluating various audit firms in accordance with the applicable regulatory framework, recommended the appointment of a new Statutory Auditor, which was subsequently approved by the Board and is being placed before the shareholders for their approval at the ensuing General Meeting.

The Audit Committee also approves payments to the Statutory Auditors for audit and non-audit services, ensuring adherence to independence and audit quality standards. In accordance with the provisions of the Companies Act, 2013, applicable Rules, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee accords prior approval for all Related Party Transactions (RPTs) and subsequent material modifications, as per the Company's Policy on Related Party Transactions. The Committee also grants omnibus approvals on an annual basis for transactions that are repetitive in nature and undertaken in the ordinary course of business and at arm's length. While granting omnibus approval, the Committee considers factors such as: Maximum value of the transactions (including per transaction value), Nature of transactions, Manner and extent of disclosures to be made to the Committee. The Committee reviews all related party transactions on a quarterly basis pursuant to such omnibus approvals to ensure that they are in compliance with the applicable regulations and policy framework.

The appointment of the Statutory Auditors and fixation of their remuneration and other payments are as recommended by the Audit Committee.

The Board take note of the Minutes of the Audit Committee Meetings in the Board Meetings of the Company.

4. Nomination & Remuneration Committee:-

I. Composition:-

As on 31st March, 2025, the Nomination and Remuneration Committee comprises of total 3 (Three) Members including 1 (One) Chairman. In composition of the Nomination and Remuneration Committee, 2 (Two) are Non-Executive-Independent Directors and 1 (One) is Non-Executive-Non-Independent Director. The Chairman of the Nomination and Remuneration Committee is Smt. Sangita S. Shingi, a Non-Executive-Independent Director. And, other Members are Shri Jeetmal B. Parekh and Smt. Indra B. Singhvi. Shri Jeetmal B. Parekh, Chairman and Non-Executive-Non-Independent Director of the Company, has been appointed as a Member of the Nomination and Remuneration Committee. The Company Secretary acts as a Secretary to the Nomination and Remuneration Committee Meetings and attendance:-

II. Meetings and attendance:-

The Nomination and Remuneration Committee met total 4 (Four) times, during the year under review, respectively on 14.08.2024, 14.11.2024, 17.01.2025 and 11.02.2025. The attendance of the Members at each Meeting was as follows:-

Name of Member	Category	Designation	Attendance at Committee Meetings during FY 2024-25	
			Number of Meetings held	Attended
Smt. Sangita S. Shingi	Non-Executive-Independent Director	Chairman	4	4
Shri Jeetmal B. Parekh	Managing Director	Member	4	4
Smt. Indra B. Singhvi	Non-Executive-Independent Director	Member	4	4

III. Brief description of terms of reference:-

The Nomination and Remuneration Committee inter alia, reviews and recommends the remuneration and commission/ performance incentive of the Executive and Non-Executive Directors. The terms of reference of the Nomination and Remuneration Committee include the matters specified in Regulation 19 read with Schedule II - Part D - Para A of the SEBI (LODR) Regulations, 2015.

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Terms of reference:-

a. To formulate criteria for determining qualifications, positive attributes and independence of the Director for evaluation of performance of Independent Directors and the Board;

b. To approve the Remuneration Policy of the Directors;

c. To devise the Policy on Board diversity;

d. To provide guidance to the Board on matters relating to appointment of the Directors, Key Managerial Personnel and Senior Management Personnel;

e. To evaluate performance, recommend and review remuneration of the Executive Directors based on their performance;

f. To recommend to the Board, the extension/continuation of term of appointment of the Independent Directors based on report of performance evaluation; and

g. To consider and recommend professional indemnity and liability for the Directors, Key Managerial Personnel and Senior Management Personnel.

IV. Remuneration Policy:-

The Company's philosophy for remuneration of the Directors, Key Managerial Personnel and all other employees is based on the commitment of fostering a culture of leadership with trust. The Company has adopted a Policy for remuneration of the Directors, Key Managerial Personnel and other employees, which is aligned to this philosophy. The key factors considered in formulating the Policy are as under:-

a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors of the quality required to run the Company successfully;

b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

c. Remuneration to the Directors, Key Managerial Personnel and Senior Management Personnel involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

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The key principles governing the Company's Remuneration Policy are as follows:-

a. Remuneration for the Independent Directors and Non-Executive-Non-Independent Director:-

The Independent Directors and Non-Executive-Non-Independent Directors may be paid sitting fees for attending the Meetings of the Board and Committees of which they may be Members and commission within regulatory limits, as recommended by the Nomination and Remuneration Committee and approved by the Board. As per the current Policy of the Company, no fees paid to the Independent Directors and Non-Executive-Non-Independent Director.

b. Remuneration for Managing Director/Executive Directors/Key Managerial Personnel/rest of the Employees:-

i. The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be market competitive, driven by the role played by the individual, reflective of the size of the Company, complexity of the sector/industry/Company's operations and the Company's capacity to pay, consistent with recognized best practices and aligned to any regulatory requirements.

ii. Basic/fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience. In addition, the Company may provide employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings. The Company also provides all employees with a social security. The Company provides retirement benefits as applicable.

iii. In addition to the basic/fixed salary, benefits, perquisites and allowances as provided above, the Company may provide MD such remuneration by way of commission, calculated with reference to the Net Profits of the Company in a particular F.Y., as may be determined by the Board, subject to the overall ceilings stipulated in Section 197 of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The specific amount payable to the MD would be based on performance as evaluated by the Nomination and Remuneration Committee and approved by the Board.

iv. The Company may provide the rest of the employees a performance linked bonus. The performance linked bonus would be driven by the outcome of the performance appraisal process and the performance of the Company.

c. Familiarisation programmes for the Board Members:-

The Board Members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. After 31st March, 2025, detailed presentations on the Company's business segments were made at the separate Meetings of the Independent Directors held. Quarterly updates on relevant statutory changes and landmark

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judicial pronouncements encompassing important laws are regularly circulated to the Directors. Site visits to various plant locations are organized for the Directors to enable them to understand the operations of the Company. The details of such Programme are available on the website of the Company and the same may be accessed on the Company's website at the link:- https://www.mahalaxmigroup.net/MFML/disclosures-under-regulation-46-of-the-lodr.html .

d. The Board and Directors evaluation and criteria for evaluation:-

The Board carry out an annual evaluation of its own performance, performance of the Directors as well as the evaluation of the working of its Committees.

The Nomination and Remuneration Committee defines the evaluation criteria, procedure and time schedule for the performance evaluation process for the Board, its Committees and Directors. The criteria for Board evaluation include inter alia, degree of fulfilment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Criteria for evaluation of individual Directors include aspects such as attendance and contribution at Board/Committee Meetings and guidance/support to the Management outside Board/Committee Meetings. In addition, the Chairman is also evaluated on key aspects of his role, including setting the strategic agenda of the Board, encouraging active engagement by all the Board Members and motivating and providing guidance to the Managing Director.

Criteria for evaluation of the Committees of the Board include degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of the Meetings.

5. Stakeholder's Relationship Committee:-

I. Composition:-

As on 31st March, 2025, the Stakeholders' Relationship Committee comprises of total 3 (Three) Members including 1 (One) Chairman. In composition of the Stakeholders' Relationship Committee, 1 (One) is Non-Executive-Independent Director and 2 (Two) are Executive Directors. The Chairman of the Stakeholders' Relationship Committee is Shri Nehal M. Shah, a Non-Executive-Independent Director. And, other Members are Shri Rahul J. Parekh and Shri Anand J. Parekh. The Company Secretary acts as a Secretary to the Stakeholder's Relationship Committee.

Smt. Heer Yuraj Pandya (ICSI Membership No.:- A64319) is a Compliance Officer of the Company.

II. Brief description of terms of reference:-

The Stakeholder's Relationship Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of Shareholders/Investors/Security Holders complaints like transfer of Shares, non-receipt of dividends, non-receipt of annual report etc. received from Shareholders/Investors and improve the efficiency in Investors service, wherever possible. The Committee also monitors the implementation and compliance with the Company's Code of Conduct for prohibition of Insider Trading. The terms of reference of the Stakeholder's Relationship Committee meet with the requirements of Regulation 20 read with Schedule II - Part D - Para B of the SEBI (LODR) Regulations, 2015.

III. Meetings and attendance:-

The Stakeholder's Relationship Committee met total 3 (Three) times, during the year under review, respectively on, 14.08.2024, 14.11.2024 and 11.02.2025 The attendance of the Members at each Meeting was as follows:-

Name of Member	Category	Designation	Attendance at Committee Meetings during FY 2024-25	
			Number of Meetings held	No. of Meetings Attended
Shri Nehal M. Shah	Non-Executive- Independent Director	Chairman	3	3
Shri Rahul J. Parekh	Director	Member	3	3
Shri Anand J. Parekh	Managing Director	Member	3	2

IV. Shareholders' Complaints Status:-

During the year under review, the Company has not received any complaint and no complaint remained pending at the year end. The status of complaints is periodically reported to the Stakeholder's Relationship Committee and the Board, in their Meetings.

6. Share Transfer Committee:-

I. Composition:-

As on 31st March, 2025, the Share Transfer Committee comprises of total 3 (Three) Members including 1 (One) Chairman. In composition of the Share Transfer Committee, 1 (One) is Non-Executive-Non-Independent Director and 2 (Two) are Executive Directors. The Chairman of the Share Transfer Committee is Shri Rahul J. Parekh, Director. And, other Members are Shri Jeetmal B. Parekh and Shri Anand J. Parekh. The Company Secretary acts as a Secretary to the Share Transfer Committee.

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II. Meetings and attendance:-

The Share Transfer Committee met total 3 (Three) times, during the year under review, respectively on 14.08.2024, 14.11.2024 and 11.02.2025. The attendance of the Members at each Meeting was as follows:-

Name of Member	Category	Designation	Attendance at Committee Meetings during FY 2024-25	
			Number of Meetings held	No. of Meetings Attended
Shri Rahul J. Parekh	Director	Chairman	3	3
Shri Jeetmal B. Parekh	Director	Member	3	3
Shri Anand J. Parekh	Managing Director	Member	3	2

III. Brief description of terms of reference:-

To expedite the process of Share transfers, the Board has delegated the power of Share transfer, transmission, dematerialization/ rematerialization, split/consolidation, issue of duplicate Share certificates, etc., to a Committee comprising of such senior officials designated from time to time. The Committee meets on a case to case basis to approve Share transfers and transmissions. The Committee reports the details of transfer of securities to the Board. No sitting fees payable to the Committee Members.

Pursuant to Regulation 40(9) of the SEBI (LODR) Regulations, 2015, the Company shall obtain a Certificate from a Practicing Company Secretary on a yearly basis, for due compliance of Share transfer formalities. Pursuant to the SEBI (Depositories and Participants) Regulations, 2018, a Certificate shall also be obtained from a Practicing Company Secretary for timely dematerialization of the Shares of the Company and for conducting the Share Capital Audit, on a quarterly basis, for reconciliation of the Share Capital of the Company. The Company shall file copy of these Certificates with the Stock Exchanges as required, under the SEBI (LODR) Regulations, 2015 and the SEBI (Depositories and Participants) Regulations, 2018.

7. Risk Management Committee:-

I. Composition:-

Even though, the Company do not fall in the list of top 1000 Listed Entities determined on the basis of Market Capitalisation as at the end of the immediate preceding Financial Year, the Company has constituted the Risk Management Committee, voluntarily.

As on 31st March, 2025, the Risk Management Committee comprises of total 3 (Three) Members including 1 (One) Chairman. In composition of the Risk Management Committee, 1 (One) is Non-Executive-Independent Director and 2 (Two) are Executive Directors. The Chairman of the Risk Management Committee is Shri Anand J. Parekh, a. Director. And, other Members are Shri Rahul J. Parekh and Shri Nehal M. Shah. The Company Secretary acts as a Secretary to the Risk Management Committee.

II. Meetings and Attendance:-

The Risk Management Committee met total 4 (Four) times, during the year under review, respectively on 14.08.2024, 14.11.2024, 25.11.2024 and 11.02.2025. The attendance of the Members at each Meeting was as follows:-

Name of Member	Category	Designation	Attendance at Committee Meetings during FY 2024-25	
			Number of Meetings held	No. of Meetings Attended
Shri Anand J. Parekh	Managing Director	Chairman	4	3
Shri Rahul J. Parekh	Director	Member	4	4
Shri Nehal M. Shah	Non-Executive- Independent Director	Member	4	4

III. Brief description of terms of reference:-

A detailed review of business risks and the Company's plan to mitigate them is presented to the Risk Management Committee. The Risk Management Committee takes steps to mitigate foreseeable business risks. Business risk evaluation and Management is an ongoing and continuous process within the Company and regularly updated to the Risk Management Committee and Board, in their Meetings.

The Company has formulated a Risk Assessment & Management Policy, duly reviewed by the Risk Management Committee, establishing the philosophy of the Company towards risk identification, analysis and prioritization of risks, development of risk mitigation plans and reporting to the Board periodically. The Policy would be applicable to all the functions and departments of the Company. The Risk Assessment & Management Policy would be implemented through the establishment of the Risk Management Committee accountable to the Board of Directors.

8. Corporate Social Responsibility Committee:-

I. Composition: -

As on 31st March, 2025, the Corporate Social Responsibility (CSR) Committee comprises of total 3 (Three) Members including 1 (One) Chairman. In composition of CSR Committee, 1 (One) is Non-Executive-Independent Director and 2 (Two) are Executive

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Directors. The Chairman of the CSR Committee is Shri Rahul J. Parekh, Director. And, other Members are Shri Anand J. Parekh and Smt. Sangita S. Shingi. The Company Secretary acts as a Secretary to the CSR Committee.

II. Meetings and Attendance:-

The CSR Committee met total 3 (Three) times, during the year under review, respectively on 14.08.2024, 14.11.2024, and 11.02.2025. The attendance of the Members at each Meeting was as follows:-

Name of Member	Category	Designation	Attendance at Committee Meetings during FY 2024-25	
			Number of Meetings held	No. of Meetings Attended
Shri Rahul J. Parekh	Director	Chairman	3	3
Shri Anand J. Parekh	Managing Director	Member	3	2
Smt. Sangita S. Shingi	Non-Executive- Independent Director	Member	3	3

III. Brief description of terms of reference:-

a. Formulating and recommending to the Board of Directors the CSR Policy and indicating activities to be undertaken;

b. Recommending the amount of expenditure for the CSR activities; and

c. Monitoring CSR activities from time to time.

9. Senior Management:-

As on 31st March, 2025, Senior Management of the Company are as follows:-

Sr. No.	Name of Senior Management	Designation
1	Shri Jeetmal B. Parekh	Director
2	Shri Anand J. Parekh	Managing Director
3	Shri Rahul J. Parekh	Director

During the year under review, there is no change in the Senior Management of the Company.

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10. Remuneration of Directors:-

No Remuneration was paid to Non-Executive Directors of the Company, for the F.Y. 2024-25.

The Company does not pay any remuneration to Non-Executive Director and Independent Directors, for attending the Board/ Committee Meetings.

Criteria of making payments to Non-Executive Directors has been disseminated on the website of the Company and the same may be accessed at the link:- https://mrtglobal.com/disclosures-under-regulation-46-of-the-lodr/.

During the F.Y. 2024-25, there is no pecuniary relationship or transaction of the Non-Executive Directors with the Company.

11. General Body Meeting:-

I. Annual General Meeting:-

The last three Annual General Meetings of the Company were held on the following location, date & time:-

Year	Location	Day & Date	Time	Special Resolutions Passed
2023-24	The Company has conducted AGM at Registered Office situated at "Mahalaxmi House", YSL Avenue, Opp. Ketav Petrol Pump, Polytechnic Road, Ambawadi, Ahmedabad – 380 015, Gujarat.	Monday 30.09.2024	12:30 p.m.	1. To Regularize the Appointment of Smt. Sangita S. Shingi (DIN:- 06999605) as a Non-Executive-Independent Director of the Company. 2. To Regularize the Appointmentof Nehal M. Shah (DIN:- 00020062) as a Non-Executive-Independent Director of the Company. 3. To Regularize the Appointment Of Smt. Indra B. Singhvi (DIN:- 07054136) as a Non-Executive-Independent Director of the Company.
2022-23		Saturday 30.09.2023	12:30 p.m.	No Special Resolution was passed.
2021-22		Monday 19.09.2022	12:30 p.m	No Special Resolution was passed.

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II. Extraordinary General Meeting:-

During the year under review, No Extra Ordinary General Meeting of the Shareholders was conducted by the Company.

III. Special Resolution passed through Postal Ballot:-

During the year under review, no Special Resolution passed by the Company through Postal Ballot.

12. Means of communication to the Shareholders:-

I. The Audited Annual Financial Results have been announced within sixty days from the end of the F.Y. 2024-25 as per Regulation 33 of the SEBI (LODR) Regulations, 2015. The Unaudited Financial Results for the Quarter ended on 30th June, 2025, for the F.Y. 2025-26, would be announced within forty-five days of end of quarter.

II. The approved Financial Results of the F.Y. 2024-25 were forthwith sent to the Stock Exchanges and were published in "The Indian Express", an English language national daily newspaper and in "The Financial Express," local language (Gujarati) daily newspaper, within forty-eight hours of conclusion of the Meeting of Board of Directors at which the Financial Results were approved.

III. The Company's Financial Results and official news releases, if any, are displayed on the Company's Website i.e. www.mahalaxmigroup.net/MFML.

IV. The Quarterly Financial Results, Shareholding Pattern, Quarterly Compliances and all other corporate communication, if any, to the Stock Exchanges i.e. BSE and NSE, shall be filed electronically. The Company shall complied with filing submissions through BSE's BSE Listing Centre and NSE's NEAPS Platform.

V. A separate dedicated Section under "Investor Relations", on the Company's website gives information on Shareholding Pattern, Financial Results and other relevant information for interest of the Investors/Public.

VI. The SEBI processes investor complaints in a centralized web-based complaints redressal system i.e. SCORES. Through this system a Shareholder can lodge complaint against a Company for his/her grievance, if any. The Company uploads the action taken on the complaint which can be viewed by the Shareholder. The Company and Shareholder can seek and provide clarifications online through the SEBI.

VII. The Company has designated the email id i.e. cs@mahalaxmigroup.net, exclusively for investor relation and the same is prominently displayed on the Company's website i.e. www.mahalaxmigroup.net/MFML.

VIII. During the F.Y. 2024-25, the Company has not made any presentations to Institutional Investors or to the analysts.

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13. General Shareholder information:-

I. Annual General Meeting – date, time and venue:-

On Saturday, the 23rd Day of August, 2025, at 2.30 p.m., through VC/OAVM pursuant to the MCA General Circular Nos.:- 14/2020 dated 08th April, 2020, 17/2020 dated 13th April, 2020, 20/2020 dated 05th May, 2020 and 09/2023 dated 25th September, 2023 and latest being 09/ 2024. For details, please refer to the Notice of this AGM.

II. Financial Year:-

1st April 2024 to 31st March 2025.

III. Financial Results:-

Fourth Quarter and Year ended on 31.03.2025	On 29th May, 2025

IV. Book Closure Date:-

Saturday 16th day, the of August, 2025 to Saturday, the 23rd day of August, 2025 (Both days inclusive).

V. Dividend Payment date:-

Not Applicable

VI. Name and address of Stock Exchanges at which the Company's Equity Shares are listed and Stock Code:-

a. BSE Limited

Listing Date:- 27-08-2024

Phiroze Jeejeebhoy Towers, Dala Street, Mumbai – 400 001, Maharashtra. Company Code:- MFML

Script Code:- 544233

b. National Stock Exhchange of India Limited

Listing Date:- 27-08-2024

Exchange Plaza, Plot No. C/1, G – Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra.

Trading Symbol:- MFML

VII. ISIN NO. (Dematerialized Shares):-

INE0US801024

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Mahalaxmi Fabric Mills Limited

VIII. Market price data- high, low, closing and BSE Sensex closing during each month in last Financial Year:-

Month of F.Y. 2024-25	Highest Rate (₹)		Lowest Rate (₹)		Closing Rate (₹)		Closing Rate (₹)
	BSE	NSE	BSE	NSE	BSE	NSE	BSE Sensex
August, 2024	117.25		95.52		95.52		82,365.77
September, 2024	90.75		53.27		58.35		84,299.78
October, 2024	60.85		52.17		55.62		79,389.06
November, 2024	58.40		49.88		51.84		79,802.79
December, 2024	61.08		49.25		49.40		78,139.01
January, 2025	51.87		35.19		38.83		77,500.57
February, 2025	40.69		31.72		31.72		73,198.10
March, 2025	32.15		27.51		27.55		77,414.92

IX. Performance in comparison to Broad-based indices i.e. BSE Sensex:-

Particulars	Mahalaxmi Fabric Mills Limited's BSE Closing Rate	BSE Sensex Closing Rate
As on 27.08.2024 (₹)	111.39	81,711.76
As on 28.03.2025 (₹)	27.55	77,414.92
Changes (%)	-75.27	-5.26

X. Registrar and Transfer Agents:-

MUFG Intime India Private Limited Registered Office:-
C-101, 1St Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra.
• Contact No.:- +91 22 49186000 • Fax No.:- +91 22 49186060 • E - mail Id:- rnt.helpdesk@linkintime.co.in

Ahmedabad Office:-
5th Floor, 506-508, Amarnath Business Centre-I, (ABC-I), Beside Gala Business Centre, Nr. St. Xavier's College Corner Off C G Road, Ellisbridge, Ahmedabad – 380 009, Gujarat.
• Contact No.:- +91 79 26465186 • Fax No.:- +91 79 26465179 • E-mail Id:- ahmedabad@linkintime.co.in

XI. Share Transfer System:-

The SEBI vide its Master Circular dated 07th May, 2024, has mandated Listed Companies to issue securities in demat form only while processing any service requests viz. issue of Duplicate Securities Certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of Securities Certificate; Endorsement; Sub-Division/Splitting of Securities Certificate; Consolidation of Securities Certificates/Folios; Transmission and Transposition.

In view of the same and to eliminate all risks associated with physical Shares and to avail various benefits of dematerialisation, the Members are advised to dematerialise the Shares held by them in physical form.

XII. Distribution of Shareholding:-

As on 31st March 2025 :-

No. of Shares			Shareholders		No. of Share held	
			Numbers	Total in %	Numbers	Total in %
1	-	500	4260	88.1440	333663	3.1418
501	-	1000	205	4.2417	164796	1.5517
1001	-	2000	139	2.8761	215549	2.0296
2001	-	3000	45	0.9311	117211	1.1037
3001	-	4000	26	0.5380	93679	0.8821
4001	-	5000	26	0.5380	122075	1.1495
5001	-	10000	37	0.7656	284255	2.6765
10001	&	Above	95	1.9657	9289047	87.4652
Total			**4833**	**100.00**	**10620275**	**100.00**

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XIII. Shareholding Pattern:-

As on 31st March 2025 :-

Category	No. of Shares held	% to the Shareholding
Promoters & Promoter Group	6882191	64.80
Bodies Corporate and LLPs	846484	7.97
Non-Resident Indians	6793	0.06
Clearing Members	5768	0.05
IEPF	176576	1.66
Unclaimed Shares	3375	0.03
Mutual Funds and NBFCs	8025	0.08
Public	2691063	25.34
TOTAL	**10620275**	**100.00%**

XIV. Dematerialization of Share and liquidity:-

The trading of Equity Shares of the Company in all categories is compulsory in Demat mode with effect from 23rd March, 2001. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's Shares is INE0US801024.

XV. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments:-

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on 31st March, 2025, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

XVI. Commodity price risk or foreign exchange risk and hedging activities:-

The Company does not undertake commodity hedging activities. Exposure to commodity and commodity risk faced by the Company through the year is Nil.

XVII. Plant location:-

Mahalaxmi Fabric Mills
Isanpur Road, Nr. Narol Char Rasta, Narol, Ahmedabad – 382 405, Gujarat.
• Tel. No.:- 079-25731831-34

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XVIII. Address for correspondence:-

Registered Office:-

Mahalaxmi House", YSL Avenue, Opp. Ketav Petrol Pump, Polytechnic Road, Ambawadi, Ahmedabad – 380 015, Gujarat.

• Tel. No.:- 079-4000 8000 • E-mail:- cs@mahalaxmigroup.net

XIX. Credit rating:-

During the F.Y. 2024-25, the Company has not obtained any Credit rating.

14. Disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account:-

Post to Scheme:-

Sr. No.	Particulars	Number of Shareholders	Outstanding Shares
1	Shareholders at the beginning of the year i.e. 01.04.2024	27	3375
2	Shareholders who approached the Company for transfer of Shares from suspense account during the year	-	-
3	Shareholders to whom Shares were transferred from suspense account during the year	-	-
4	Shareholders at the end of the year i.e. 31.03.2025	27	3375

The voting rights on these 3375 number of Equity Shares shall remain frozen till the rightful owner of such Shares claims the Shares.

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (As amended from time to time) Shares on which dividend has not been paid or claimed by a Shareholder for a period of 7 (seven) consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund (IEPF) within a period of thirty days of such Shares becoming due to be so transferred. Upon transfer of such Shares, all benefits (like bonus, etc.), if any, accruing on such Shares shall also be credited to such Demat Account and the voting rights on such Shares shall remain frozen till the rightful owner claims the Shares.

Pursuant to the Scheme becoming effective, MFML, on 11th June, 2024, has credited 1,76,576 new Equity Shares Capital to the IEPF Authority. The concerned Members may note that Equity Shares transferred to the IEPF Authority can be claimed back from the IEPF

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Authority. The concerned Members are advised to contact, by sending a duly signed request letter with Folio No., to MUFG Intime India Private Limited (Unit:- Mahalaxmi Fabric Mills Limited), 5th Floor, 506-508, Amarnath Business Centre-I, (ABC-I), Beside Gala Business Centre, Nr. St. Xavier's College Corner Off C G Road, Ellisbridge, Ahmedabad – 380 009, Gujarat; Ph. No.:- 079 – 26465179; E-mail ID:- ahmedbad@in.mpms.mufg.com or ahmedabad@linkintime.co.in , for detailed procedure to lodge the Claim with the IEPF Authority.

Currently, there are no Shares outstanding which are required to be transferred to the IEPF.

15. Other Disclosures:-

I. Details of the Related Party Transactions are furnished in the Notes to the Financial Statements. There is no any materially significant Related Party Transaction that may have potential conflict with the interest of the Company at large.

II. The Company has complied with all the requirements as specified under the SEBI (LODR) Regulations, 2015 as well as other Circulars and Guidelines issued thereunder. No stricture or penalty has been imposed on the Company by the Stock Exchange or the SEBI or any statutory authority on matter related to capital market during the last three years.

III. As per Section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI (LODR) Regulations, 2015, the Company has adopted whistle Blower/Vigil Mechanism, in the Board Meeting of the Company held on 29th April, 2024, to provide a formal mechanism to the Directors and employees to report their genuine concerns or grievances about illegal or unethical practices, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of persons who avail of the Vigil Mechanism and also provides for direct access to the Chairman of the Audit Committee in appropriate and exceptional cases. It is affirmed that no personnel of the Company have been denied access to the Audit Committee.

IV. The Company shall comply, from time to time, with all mandatory requirements as specified in the SEBI (LODR) Regulations, 2015.

V. Weblink where Policy for determining Material Subsidiary is disclosed:- _.

VI. Weblink where Policy on dealing with Related Party Transactions is disclosed:- _.

VII. The Company does not undertake commodity hedging activities. Exposure to commodity and commodity risk faced by the Company through the year is Nil.

VIII. The Company has not raised funds through preferential allotment or qualified institutional placement as specified under Regulation 32(7A) of the SEBI (LODR) Regulations, 2015, during the Financial Year 2024-25.

IX. During the F.Y. 2024-25, the Board has accepted all the recommendation of various Committees of the Board which are mandatorily required.

X. During the F.Y. 2024-25, there was not any case which has filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

XI. Details of advances given by the Company, during the year under review, to Company in which Directors are interested are disclosed in the Note No. 42 of the Audited Standalone Financial Statement of the Company. Details of advances given by the Subsidiary, during the year under review, to Company in which Directors are interested are disclosed in the Note No. 31 of the Audited Financial Statement of the Subsidiary Company, which has been disseminated on website of the Company and the same may be accessed at the link:- _.

Pursuant to the Scheme becoming effective, Mahalaxmi Exports Private Limited, has ceased to be the Material Subsidiary and Wholly Owned Subsidiary Company of MRT and has become the Wholly Owned Subsidiary Company of MFML.

XII. The Company has complied with all the requirements of Corporate Governance Report as stipulated under Sub-Paras (2) to (10) of Schedule V - Para C of the SEBI (LODR) Regulations, 2015, to the extent as may be applicable.

XIII. The Company has adopted one of the discretionary requirement as specified in Schedule II Part E of the SEBI (LODR) Regulations, 2015, i.e. moving towards a regime of Financial Statements with unmodified opinion.

XIV. The Company is in compliance with the Corporate Governance requirements as stipulated under Regulations 17 to 27 and Clauses (b) to (i) &(t) of Sub-Regulation (2) of Regulation 46 of the SEBI (LODR) Regulations, 2015, to the extent as may be applicable.

XV. The Company has adopted a Code of Conduct for Prevention of Insider Trading ("The Code") in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015, which was first implemented with effect from October 1, 2002 as per the SEBI (Prohibition of Insider Trading) Regulations, 1992. The SEBI has over the years introduced various amendments to the Insider Trading Regulations of 1992 which ordain new action steps by corporate and other market intermediaries for the purpose of prevention of Insider Trading. The Code is amended from time to time reflecting the changes brought in by the SEBI in the Insider Trading Regulations.

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XVI. In the preparation of the Financial Statements, the Company has followed the Indian Accounting Standards (Ind AS) referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

XVII. The details of the Material Subsidiary is as under:-

Sr. No.	Name of Material Subsidiary	Date of Incorporation	Place of Incorporation	Name of the Statutory Auditor	Date of Appointment of Statutory Auditor
1	Mahalaxmi Exports Private Limited	05th November, 2019	Ahmedabad	Bhanwar Jain & Co. (Firm Registration No.:- 034943)	01st Auditor, 2020

Pursuant to Regulation 24 of the SEBI (LODR) Regulations, 2015, Mahalaxmi Exports Private Limited has become the is the Material Subsidiary of the Company, as per Consolidated Financial Statements for the F.Y. 2024-25, of the Company. Smt. Sangita S. Shingi (DIN:- 06999605), Independent Director of Mahalaxmi Fabric Mills Limited, is an Independent Director of Mahalaxmi Exports Private Limited.

Pursuant to Regulation 24A of the SEBI (LODR) Regulations, 2015, Mahalaxmi Exports Private Limited has undertaken the Secretarial Audit for the F.Y. 2024-25 and the Secretarial Audit Report thereof, given by a Practicing Company Secretary, is annexed herewith as an Annexure – II, forming part of this Annual Report.

FOR, MAHALAXMI FABRIC MILLS LIMITED

SD/-
SHRI JEETMAL B. PAREKH
CHAIRMAN
(DIN:- 00512415)

DATE:- 29TH MAY, 2025
PLACE:- AHMEDABAD

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Mahalaxmi Fabric Mills Limited

COMPLIANCE CERTIFICATE

(Pursuant to Regulation 17(8) read with Schedule II Part B of the SEBI (LODR) Regulations, 2015)

Pursuant to Regulation 17 read with Schedule II Part B of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, We, Shri Anand J. Parekh, Managing Director and Smt. Rajshree Raol, Chief Financial Officer, hereby certify to the Board of Directors that:-

a) We have reviewed the Financial Statements and the Cash Flow Statement for the Financial Year ended on 31st March, 2025 and that to the best of our knowledge and belief:-

   i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; and

   ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulation;

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the Financial Year ended on 31st March, 2025, which are fraudulent, illegal or violative of the Company's code of conduct;

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies;

d) We have indicated to the Auditors and the Audit Committee:-

   i) There is no any significant changes in internal control over financial reporting during the Financial Year ended on 31st March, 2025;

   ii) There is no significant change in accounting policies during the Financial Year ended on 31st March, 2025 and that the same have been disclosed in the notes to the Financial Statements; and

   iii) There is no any instance of significant fraud of which we have become aware and the involvement therein, of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

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FOR, MAHALAXMI FABRIC MILLS LIMITED

Sd/-
ANAND J. PAREKH
MANAGING DIRECTOR
(DIN:- 00500384)

Sd/-
RAJSHREE RAOL
CHIEF FINANCIAL OFFICER

DATE: 29TH MAY, 2025
PLACE: AHMEDABAD

DECLARATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT

(Pursuant to Regulation 34(3) read with Schedule V Part D of the SEBI (LODR) Regulations, 2015)

Pursuant to Regulation 17 read with Schedule V - Para D of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that the Company has adopted the Code of Conduct for all the Members of the Board of Directors and Senior Management Personnel. The Code of Conduct has also been placed on the website of the Company i.e. www.mrtglobal.com.

I hereby confirm that the Company has received Declarations from the Board of Directors and Senior Management Personnel in respect of compliance with the Code of Conduct of Board of Directors and Senior Management, as applicable to them, for the Financial Year ended on 31st March, 2025.

FOR, MAHALAXMI FABRIC MILLS LIMITED

Sd/-
ANAND J. PAREKH
MANAGING DIRECTOR
(DIN:- 00500384)

DATE:- 29TH MAY, 2025
PLACE:- AHMEDABAD

PCS CERTIFICATE FOR DIRECTOR DISQUALIFICATION

To
The Members of
MAHALAXMI FABRIC MILLS LIMITED
Mahalaxmi House,
YSL Avenue, Opp. Ketav Petrol Pump,
Polytechnic Road, Ambawadi,
Ahmedabad, 380015

I/We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of MAHALAXMI FABRIC MILLS LIMITED having CIN L17100GJ1991PLC015345 and having registered office at YSL Avenue, Opp. Ketav Petrol Pump, Polytechnic Road, Ambawadi, Ahmedabad, 380015, INDIA (hereinafter referred to as 'the Company'), produced before me/us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my/our opinion and to the best of my/our information and according to the verifications as considered necessary and explanations furnished to me / us by the Company & its officers, I/We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority

SR No	Name of Director	DIN	Date of appointment
1	JEETMAL BHOORCHAND PAREKH	00512415	28/08/2022
2	ANAND JEETMAL PAREKH	00500384	25/07/2000
3	RAHUL JEETMAL PAREKH	00500328	04/04/0991
4	SANGITA SHINGI	06999605	18/04/2024
5	NEHAL MAYUR SHAH	00020062	18/04/2024
6	INDRA BALVEERMAL SINGHVI	07054136	18/04/2024

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

For, Malay Desai & Associates
Company Secretary

Malay Desai
Proprietor
Membership No: A48838
COP: 26051
Peer Review: 6426/2025
UDIN: A048838G000494877

Place: Ahmedabad
Date: 29/05/2025

Mahalaxmi Fabric Mills Limited

PCS CERTIFICATE FOR CORPORATE GOVERNANCE REPORT

To
The Members of
MAHALAXMI FABRIC MILLS LIMITED
"Mahalaxmi House"
YSL Avenue,
Opp. Ketav Petrol Pump,
Polytechnic Road, Ambawadi,
Ahmedabad, 380015

We have examined the compliance of conditions of Corporate Governance by MAHALAXMI FABRIC MILLS LIMITED CIN: L17100GJ1991PLC015345 having Registered Office situated at "Mahalaxmi House", YSL Avenue, Opp. Ketav Petrol Pump, Polytechnic Road, Ambawadi, Ahmedabad – 380 015, Gujarat (Hereinafter referred to as "the Company"), for the year ended on 31st March 2025, pursuant to Regulation 34(3) read with Schedule V - Para E of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Collectively referred to as "the SEBI Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us and representation made by the Directors and the Management of the Company, we certify that the Company has complied with the conditions of Corporate Governance as specified in Regulations 17 to 27; Clauses (b) to (i) & (t) of Regulation 46 and Para C, D & E of Schedule V of the SEBI Listing Regulations, for the year ended on 31st March, 2025.

We state that in respect of Investor grievances received during the year ended on 31st March, 2025, no investor grievances are pending against the Company, as per records maintained by the Company and presented to the Stakeholders Relationship Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company

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For, Malay Desai & Associates
Company Secretary

Sd/-
Malay Desai
Proprietor
Membership No: A48838
COP: 26051
Peer Review: 6426/2025
UDIN: A048838G000494976

Place: Ahmedabad
Date: 29.05.2025

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
MAHALAXMI FABRIC MILLS LIMITED

Report on the audit of Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of MAHALAXMI FABRIC MILLS LIMITED ("the Company"), which comprise of the Balance Sheet as at March 31, 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 a summary of significant accounting policies and other explanatory information (hereinafter referred to as " Standalone Financial Statements".

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

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 47 of the financial statements, which describes the impact of a major fire incident that occurred at the Company's factory.

Our opinion is not modified in respect of this matter.

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Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

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Mahalaxmi Fabric Mills Limited

Key Audit Matters	How our audit addressed the key audit matter
1. Major fire incident at factory During the year, a major fire occurred at the Company's primary manufacturing factory, resulting in significant damage to fixed assets, inventory, goods received from third parties for job work and disruption of operations. The Company has recognised impairment losses on fixed assets and write-down of inventory, and disclosed the estimated losses and expected insurance claims receivable and payable to third parties under Notes 47 to the financial statements. We considered this a key audit matter due to the magnitude of the impact on the financial statements, the significant management judgment involved in assessing asset impairments and estimating recoveries from insurance, and the importance of related disclosures.	**In this regard, our audit procedures included:** Evaluated the Company's process for identifying and recording losses and related insurance claims. Verified the impairment of affected fixed assets and the write-down of inventory. Reviewed communications with insurance providers and legal advisors. Assessed the adequacy and transparency of disclosures in the financial statements. Considered the implications for the Company's ability to continue as a going concern.
2. Revenue Recognition: Company's revenue is derived primarily from sale of goods. Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer and there are no longer any unfulfilled performance obligations. The performance obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms. Inappropriate assessment could lead to risk of revenue being recognized before transfer of control. In view of the above and since revenue is a key performance indicator of the Company, we have identified timing of revenue recognition from sale of goods as a key audit matter.	Assessing the appropriateness of the accounting policy for revenue recognition with relevant accounting standards; Evaluating the design and implementation of the Company's key internal financial controls in relation to timing of revenue recognition and tested the operating effectiveness of such controls for selected samples Performing detailed testing by selecting samples of revenue transactions recorded during the year and around the year end date using statistical sampling. We assessed fulfilment of performance obligations during the year by verifying the underlying documents. These documents included contract specifying terms of sale, invoices, goods dispatch notes, customer acceptances and shipping documents; Testing, on a sample basis using specified risk based criteria, journal entries affecting revenue recognised during the year to identify unusual items.
3. Valuation of Inventories The Company is a traditional textile manufacturer and the inventory primarily comprises of grey fabric, dyed and printed fabric etc. Inventories are valued at lower of cost and net realisable value. The Company maintains its inventory levels based on forecast demand and expected future selling prices. There is a risk of inventories being measured at values which are not representative of the lower of costs and net realisable value ('NRV') The Company exercises high degree of judgment in assessing the NRV of the inventories on account of estimation of future market and economic conditions. The carrying value of inventories is material in the context of total assets of the Company. We identified the valuation of inventories as a key audit matter.	**In this regard, our audit procedures included:** Assessing the appropriateness of the accounting policy for inventories with relevant accounting standards: Evaluating the design and implementation of the Company's key internal financial controls over valuation of inventories and testing the operating effectiveness of such controls for selected samples; Observing the physical verification of inventory on a sample basis. In this regard, we have considered the physical condition of inventory by way of obsolescence or wear and tear, wherever relevant and applicable, in determining the valuation of such inventory. For NRV testing, selecting inventory items, on a sample basis at reporting date and compared their carrying value to their subsequent selling prices as indicated in sales invoices subsequent to the reporting date.

Information other than the Standalone Financial Statements and Auditor's report thereon

The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors' Report including the Annexures to the Directors' report, but does not include the Standalone Financial Statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 Standalone Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

i) Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii) Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

v) Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in

our auditor's report unless law or regulation precludes public disclosure about the matter or when in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of the section 143 of the Act, we give in the Annexure "A", a statement on the matters specified in the paragraph 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;

   (c) The balance sheet, the Statement of profit and loss including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued there under.

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

   (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in the Annexure-B . Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   (g) With respect to the 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 remuneration paid / provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

      i. The company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements.

      ii. The company has made provision, as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long term contracts including derivative contracts.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv. a. The management has represented that, to the best of its knowledge and belief, to the Standalone Financial Statements, 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

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

      b. The management has represented, that, to the best of its knowledge and belief, to the Standalone Financial Statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

         - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
         - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries

      c. Based on such audit procedures as 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 h(iv) (a) & (b) contain any material mis-statement.

v. The Company has not declared any dividend during the year.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. However, the audit trail feature is not enabled for certain direct changes to data when using certain access rights and at the database level for the accounting software, as described in note to the Standalone Financial Statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software.

For BHANWAR JAIN & CO.,
Chartered Accountants.
Firm Registration No.117340W

(B. M. JAIN)
Proprietor.
M. No. 034943
UDIN:25034943BMLLRF5372

Ahmedabad: 29th May,2025.

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Mahalaxmi Fabric Mills Limited

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 2 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the Standalone Financial Statements of the Company for the year ended March 31, 2025:

i. In respect of property, plant & equipment:

(a) According to the information and explanation given to us and on the basis of our examination of records of the company, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) According to the information and explanation given to us and on the basis of our examination of records of the company, all property, plant & equipment have been physically verified by the management during the year and there is a regular programme of verification which in our opinion is reasonable having regard to the size of the company and nature of its assets. According to the information and explanation given to us, and on the basis of our audit procedure and detailed in Note 47 to the financial statements, the significant loss or damage to the property, plant and equipments due to major fire incident at factory premises, the company has accounted for the loss and insurance claim in the books of account. The discrepancies arising out of the incident have been appropriately dealt with in the books of account.

(c) According to the information and explanation given to us and on the basis of our examination of records of the company, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

(d) According to the information and explanation given to us and on the basis of our examination of records of the company, the Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.

(e) According to the information and explanation given to us and on the basis of our examination of records of the company, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder

ii. In respect of inventories:

(a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at 31st March, 2025 and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations. According to the information and explanation given to us, and on the basis of our audit procedure and detailed in Note 47 to the financial statements, the significant loss or damage to the inventories of own and of customers due to major fire incident at factory premises, the company has accounted for the loss and insurance claim in the books of account. The discrepancies arising out of the incident have been appropriately dealt with in the books of account. The discrepancies noticed on physical verification of inventory have been properly dealt with in the books of account.

(b) According to the information and explanation given to us and on the basis of our examination of records of the company, the Company has been sanctioned working capital limits in excess of five crore rupees in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. As disclosed in note 21 to the Standalone Financial Statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

iii. In respect of investments, guarantee or security or loans and advances given

(a) According to the information and explanation given to us and on the basis of our examination of records of the company, during the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties except loans given and guarantee provided to its subsidiary. The amount of loan and guarantee provided during the year to its subsidiaries is ₹NIL and ₹3750 lakhs respectively and balance outstanding as at balance sheet date in respect of the loans and guarantee provided to its subsidiaries is ₹41.74 lakhs and ₹3750 lakhs respectively.

(b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, limited liability partnerships or any other parties except guarantee provided to its subsidiary company. The terms and conditions of the grant of loans and advances in the nature of loans to such company are not prima facie prejudicial to the interest of the company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayments or receipts have been regular, wherever applicable.

(d) According to the information and explanation given to us and on the basis of our examination of records of the company, there are no amount of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

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(e) According to the information and explanation given to us and on the basis of our examination of records of the company, there is no loan or advance in the nature of loan granted to companies, firms, limited liability partnerships or any other parties falling due during the year, which has been renewed or extended or fresh loan granted to settle the overdue of existing loans given to the same party.

(f) There were no loans or advance in the nature of loan granted to companies, firms, limited liability partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(g) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

iv. According to the information and explanation given to us and on the basis of our examination of records of the company, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans and advances given, investments made, guarantees, and securities given have been complied with by the company.

v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. We have broadly reviewed the maintenance of cost records by the company as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained by the company. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. In respect of statutory dues:

(a) According to the information and explanation given to us and on the basis of our examination of records of the company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, goods and service tax, cess and other statutory dues applicable to it. The provisions related to sales tax, service tax, duty of excise and value added taxes are not applicable to the Company.

(b) According to the information and explanation given to us and on the basis of our examination of records of the company, no undisputed amounts payable in respect of provident fund, employees' state insurance, income- tax, duty of customs, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions related to sales tax, service tax, duty of excise and value added taxes are not applicable to the Company.

(c) According to the information and explanation given to us and on the basis of our examination of records of the company, there was no dispute in respect of dues outstanding of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues.

(d) According to the information and explanation given to us, the dues of income tax, sales tax, goods & service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute and forum where dispute is pending are as under:

Name of the Statute	Amount involved (₹ In Lakhs)	Forum where dispute is pending
Stamp Duty	132.12	Chief Controlling Revenue Authority, Gandhinagar (Gujarat)

viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix. In respect of default in repayment of borrowings:

(a) According to the information and explanation given to us and on the basis of our examination of records of the company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanation given to us and on the basis of our examination of records of the company, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanation given to us and on the basis of our examination of records of the company, term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the Standalone Financial Statements of the Company, no funds raised on short term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the Standalone Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanation given to us and on the basis of our examination of records of the company, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

x. In respect of funds raised and utilization:

(a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanation given to us and on the basis of our examination of records of the company, the Company has not made any preferential allotment or private placement of shares during the year under audit in accordance with section 42 and 62 of the Companies Act, 2013.

xi. In respect of frauds and whistle blower complaints:

(a) According to the information and explanation given to us and on the basis of our examination of records of the company, no fraud/ material fraud by the Company or no fraud/ material fraud on the Company has been noticed or reported during the year.

(b) According to the information and explanation given to us and on the basis of our examination of records of the company, during the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanation given to us and on the basis of our examination of records of the company, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Standalone Financial Statements, as required by the applicable accounting standards.

xiv. Based on the information and explanation provided to us and our audit procedures, the company has an internal audit system in commensurate with the size and nature of its business. We have considered the internal audit reports of the company issued till date for the period under audit.

xv. According to the information and explanation given to us and on the basis of our examination of records of the company, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. Registration with RBI, Act

(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

xvii. The Company has not incurred cash loss in the current year and in previous financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

xix. On the basis of the financial ratios disclosed in note 48(8) to the Standalone Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanation given to us and on the basis of our examination of records of the company, there is no obligation under Corporate Social Responsibility of the company during the year hence requirement to report on clause 3(xx) of the Order is not applicable to the Company.

For BHANWAR JAIN & CO.,
Chartered Accountants.
Firm Registration No.117340W

(B. M. JAIN)
Proprietor.
M. No. 034943
UDIN:25034943BMLLRF5372

Ahmedabad: 29th May,2025.

VALUE RESEARCH PREMIUM

"Annexure B" to the Independent Auditors' Report on the Standalone Financial Statements of MAHALAXMI FABRIC MILLS Limited

(Referred to in paragraph 2(A)(f) under "Report on other legal and regulatory requirements" of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 MAHALAXMI FABRIC MILLS LIMITED ("the Company") as of March 31,2025 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for the Internal Financial Controls.

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the Standalone 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 Ind AS Standalone 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 Standalone 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, to the best of our information and according to the explanations given to us, the Company have, 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 ICAI.

For BHANWAR JAIN & CO.,
Chartered Accountants.
Firm Registration No.117340W

(B. M. JAIN)
Proprietor.
M. No. 034943
UDIN:25034943BMLLRF5372

Ahmedabad: 29th May,2025.

www.valueresearchonline.com, www.valueresearchstocks.com

Mahalaxmi Fabric Mills Limited

STANDALONE BALANCE SHEET AS AT 31ST MARCH 2025

(Amount in Lakhs, unless otherwise stated)

	Notes	As at 31-Mar-25	As at 31-Mar-24
ASSETS			
Non-current assets			
Property, plant and equipment	1	7455.02	8629.20
Capital work-in-progress	2	---	51.77
Intangible assets	3	70.64	110.25
Financial assets			
Investments	4	322.12	312.13
Loans		--	
Other financial assets	5	60.05	58.66
Other non-current assets	6	1.00	1.50
Total non-current assets		**7908.83**	**9163.52**
Current assets			
Inventories	7	337.46	573.02
Financial assets			
Investments		---	---
Trade receivables	8	962.73	2311.71
Cash and cash equivalents	9	77.85	261.84
Bank balances other than cash and cash equivalents	10	1193.79	1066.57
Loans	11	81.24	105.86
Other financial assets	12	4031.05	52.92
Other current assets	13	281.71	84.54
Assets classified as held for sale	14	15.07	15.05
Total current assets		**6980.90**	**4471.50**
TOTAL ASSETS		**14889.73**	**13635.02**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	1062.03	1062.03
Other Equity	16	7618.34	7216.13
Total Equity		**8680.37**	**8278.16**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	403.63	624.49
Other financial liabilities		---	---
Provisions	18	40.41	60.55
Deferred Tax Liabilities (Net)	19	197.64	62.64
Other non-current liabilities	20	7.10	54.22
Total non-current liabilities		**648.78**	**801.90**
Current liabilities			
Financial liabilities			
Borrowings	21	1496.60	1234.51
Trade payables	22	2390.93	3133.75
Other financial liabilities	23	1620.82	133.29
Other current liabilities	24	8.31	10.57
Provisions	25	43.92	42.84
Current tax liabilities (net)		---	---
Total current liabilities		**5560.58**	**4554.96**
TOTAL LIABILITIES		**6209.36**	**5356.86**
TOTAL EQUITIES AND LIABILITIES		**14889.73**	**13635.02**

Value Research

Summary of significant accounting policies

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

For BHANWAR JAIN & CO.
Chartered Accountants.
Firm Registration No. : 117340W

Sd/-
(B. M. JAIN)
Proprietor
Membership No. : 034943

AHMEDABAD: 29th May , 2025.

For and on behalf of Board of Directors of Mahalaxmi Fabric Mills Ltd.

Sd/-
Jeetmal B. Parekh
Director
(DIN 00512415)

Sd/-
Anand J. Parekh
Managing Director
(DIN: 00500384)

Sd/-
Rahul J. Parekh
Director
(DIN: 00500328)

Sd/-
Sangita S. Shingi
Director
(DIN 06999605)

Sd/-
Nehal M. Shah
Director
(DIN 00020062)

Sd/-
Indra B. Singhvi
Director
(DIN 07054136)

Sd/-
Rajshree Raol
Chief Financial Officer

Heer Yuvraj Pandya
Company Secretary

AHMEDABAD: 29th May , 2025.

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2025

(Amount in Lakhs, unless otherwise stated)

	Notes	For the year ended 31-Mar-25	For the year ended 31-Mar-24
INCOME			
Revenue from operations	26	6345.38	8750.51
Other income	27	143.58	274.51
Total income		**6488.96**	**9025.02**
EXPENSES			
Cost of material consumed and Trading Purchase	28	2407.55	3385.70
Changes in inventories of finished goods, stock-in-trade and work-in-progress	29	10.09	-18.04
Manufacturing & Operating Cost	30	3389.11	4466.12
Employee benefits expense	31	609.51	677.85
Finance costs	32	167.24	126.76
Depreciation and amortization expense	33	373.30	436.56
Other expenses	34	333.51	184.66
Total expenses		**7290.31**	**9259.61**
Profit /(Loss) before tax & Exceptional items		**-801.35**	**-234.59**
Add: Exceptional Items(Refer Note No. 47)		1284.88	---
Profit /(Loss) before tax		**483.53**	**-234.59**
Income tax expense			
Current tax		---	---
Deferred tax		121.94	-42.76
Total income tax expense		**121.94**	**-42.76**
Profit/(Loss) for the year		**361.59**	**-191.83**
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains/ (losses) on post employment defined benefit plan		41.89	17.14
Income tax effect		-10.54	-4.77
		31.35	**12.37**
Fair valuation (loss)/gain adjustments on equity instruments designated as FVTOCI		10.00	3.26
Income tax effect		-2.78	-0.91
		7.22	**2.36**
Total other comprehensive income for the year		**38.56**	**14.73**
Earnings / (Loss) per share			
Basic earnings /(loss) per share (INR)		3.40	-1.81
Diluted earnings /(loss) per share (INR)		3.40	-1.81

Value Research

Summary of significant accounting policies
The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

For BHANWAR JAIN & CO.
Chartered Accountants.
Firm Registration No. : 117340W

Sd/-
(B. M. JAIN)
Proprietor
Membership No. : 034943

AHMEDABAD: 29th May , 2025.

For and on behalf of Board of Directors of Mahalaxmi Fabric Mills Ltd.

Sd/-
Jeetmal B. Parekh
Director
(DIN 00512415)

Sd/-
Anand J. Parekh
Managing Director
(DIN: 00500384)

Sd/-
Rahul J. Parekh
Director
(DIN: 00500328)

Sd/-
Sangita S. Shingi
Director
(DIN 06999605)

Sd/-
Nehal M. Shah
Director
(DIN 00020062)

Sd/-
Indra B. Singhvi
Director
(DIN 07054136)

Sd/-
Rajshree Raol
Chief Financial Officer

Heer Yuvraj Pandya
Company Secretary

AHMEDABAD: 29th May , 2025.

Mahalaxmi Fabric Mills Limited

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2025

(Amount in Lakhs, unless otherwise stated)

		For the year ended 31-Mar-25	For the year ended 31-Mar-24
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Profit before exceptional items and tax	483.53	-234.59
	Adjustments for:		
	Depreciation and amortization expenses	373.30	436.56
	Interest Paid	145.64	123.08
	Interest Received	-98.39	-94.87
	Provision for gratuity	22.82	29.88
	Net exchange differences	-3.07	-10.31
	Amortisation of Deferred Income	-25.85	-30.49
	Amortisation of Leasehold Land	0.50	0.50
	(Gain)/ loss on Disposal of fixed assets	-1291.35	-62.51
	Liabilities written back	-2.95	-43.44
	Bad Debts written off	---	0.41
	Provision for Impairment of Assets	0.08	---
	Provision for Impairment of Receivables	3.05	7.43
	Operating Profit before working capital changes	**-392.68**	**121.65**
	Changes in working capital		
	Adjustments for:		
	Decrease in inventories	235.55	114.49
	Decrease in trade receivables	1349.00	19.97
	Decrease in other financial assets	-3953.51	0.99
	Decrease in other current assets	-197.67	22.18
	Decrease in non-current financial assets	-1.39	1.88
	Decrease in non-current assets	0.50	0.50
	Increase in trade payables	-739.87	200.91
	Increase in other current liabilities	-2.25	10.35
	Increase in non-current liabilities	-21.28	-42.18
	Increase in other financial liabilities	1487.46	17.04
	Cash generated from operations	**-2236.14**	**467.77**
	Net Income tax paid	**1.80**	**-10.72**
	Net cash flows used in operating activities (A)	**-2234.33**	**457.06**
B.	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Purchase of property, plant and equipment and intangible assets	-135.02	-893.67
	Purchase of Investments	---	---
	Proceeds from sale/ disposal of fixed assets	2318.61	71.02
	Net withdrawal of /Investment in fixed deposits	-127.22	436.42
	Interest Received	98.39	94.87
	Dividend Received	---	---
	Net cash flow from investing activities (B)	**2154.76**	**-291.36**
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Proceeds from long-term borrowings	-220.87	315.94
	Increase in Share Capital	---	---
	Proceeds from short-term borrowings	262.08	-251.37
	Interest paid	-145.64	-123.08
	Net cash flow from financing activities (C)	**-104.42**	**-58.51**
D.	**Net increase in cash and cash equivalents (A+B+C)**	**-183.99**	**107.19**
	Cash and cash equivalents at the beginning of the year	261.84	154.65
	On current accounts		
	Cash and cash equivalents at the end of the period	**77.85**	**261.84**

Summary of significant accounting policies

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

For BHANWAR JAIN & CO.
Chartered Accountants.
Firm Registration No. : 117340W

Sd/-
(B. M. JAIN)
Proprietor
Membership No. : 034943

AHMEDABAD: 29th May , 2025.

For and on behalf of Board of Directors of Mahalaxmi Fabric Mills Ltd.

Sd/-
Jeetmal B. Parekh
Director
(DIN 00512415)

Sd/-
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Managing Director
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(DIN 00020062)

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Indra B. Singhvi
Director
(DIN 07054136)

Sd/-
Rajshree Raol
Chief Financial Officer

Heer Yuvraj Pandya
Company Secretary

AHMEDABAD: 29th May , 2025.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2025

(Amount in Lakhs, unless otherwise stated)

	Equity Share Capital	Reserve and surplus			Items of OCI	
		Securities Premium	General Reserve	Retained earnings	Equity Instruments through OCI	Other Comprehensive Income
Balance as at April 1, 2023	1062.03	7669.71	-311.95	---	45.27	8465.07
Profit for the year	---	---	-191.83			-191.83
Other comprehensive income						
Other comprehensive income						
Re-measurement gains/ (Losses) on post					12.37	12.37
employment defined benefit plans (Net of tax)				3.26		3.26
Fair Valuation of Investments measured at				---		---
FVTOCI(Net of tax)			-10.71			-10.71
Add:Income tax of earlier years						
Balance As at 31 March, 2024	**1062.03**	**7669.71**	**-514.48**	**3.26**	**57.64**	**8278.16**
Balance As at April 1, 2024	1062.03	7669.71	-514.48	3.26	57.64	8278.16
Profit for the year			361.59			361.59
Other comprehensive income						
Re-measurement gains/ (Losses) on post						
employment defined benefit plans (Net of tax)					31.35	31.35
Fair Valuation of Investments measured at				7.48		7.48
FVTOCI(Net of tax)						
Add:Income tax of earlier years			1.80			1.80
Balance As at 31 March, 2025	**1062.03**	**7669.71**	**-151.09**	**10.74**	**88.99**	**8680.37**

Value Research

Summary of significant accounting policies
The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

For BHANWAR JAIN & CO.
Chartered Accountants.
Firm Registration No. : 117340W

Sd/-
(B. M. JAIN)
Proprietor
Membership No. : 034943

AHMEDABAD: 29th May , 2025.

For and on behalf of Board of Directors of Mahalaxmi Fabric Mills Ltd.

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Jeetmal B. Parekh
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Sd/-
Rajshree Raol
Chief Financial Officer

Heer Yuvraj Pandya
Company Secretary

AHMEDABAD: 29th May , 2025.

Mahalaxmi Fabric Mills Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THEW YEAR ENDED 31 MARCH 2025

1 Property, plant and equipment

Tangible Assets (Amount in Lakhs, unless otherwise stated)

A. Gross Carrying Amounts	Freehold Land	Building	Plant & Machinery	Electric Installation	Furniture Fixtures	Office Equipments	Vehicles	Total
Year ended March 31, 2024								
Gross carrying amount								
Balance as at April 1, 2023	6068.00	891.30	5582.98	66.47	115.26	53.73	69.93	12847.68
Additions	---	---	832.46	---	---	8.06	1.37	841.89
Disposals	---	---	61.00	---	---	---	0.91	61.91
Classified as held for sale	---	---	---	---	---	---	---	0.00
Balance As at 31 Mar, 2024	6068.00	891.30	6354.44	66.47	115.26	61.79	70.40	13627.66
Year ended March 31, 2025								
Balance as at April 1, 2024	6068.00	891.30	6354.44	66.47	115.26	61.79	70.40	13627.66
Additions	---	61.88	115.39	6.13	0.56	2.83	0.00	186.80
Disposals	---	306.78	2181.61	---	15.76	22.40	38.14	2564.69
Classified as held for sale	---	---	0.45	---	---	---	0.00	0.45
Other Adjustments	---	---	---	---	---	---	---	---
Balance As at 31 March, 2025	6068.00	646.40	4287.77	72.60	100.06	42.23	32.26	11249.31
B. Accumulated Depreciation/Amortisation								
Year ended March 31, 2024								
Balance as at April 1, 2023	---	274.25	4229.83	26.71	30.68	36.36	62.48	4660.32
Depreciation For the Year	---	28.22	348.14	3.94	8.71	5.85	2.09	396.95
Deductions / Adjustments	---	---	57.95	---	---	---	0.86	58.81
Classified as held for sale	---	---		---	---	---	-	-
Balance as at March 31,2024	**---**	**302.47**	**4520.03**	**30.65**	**39.39**	**42.21**	**63.71**	**4998.46**
Year ended March 31, 2025								
Balance as at April 1, 2024	---	302.47	4520.03	30.65	39.39	42.21	63.71	4998.46
Depreciation For the Year	---	36.05	278.71	3.99	8.67	5.23	1.04	333.69
Deductions / Adjustments	---	110.42	1364.54	-	7.05	19.19	36.23	1537.43
Classified as held for sale	---	-	0.43	-	-	-	-	0.43
Balance As at 31 March, 2025	**---**	**228.11**	**3433.77**	**34.64**	**41.02**	**28.24**	**28.52**	**3794.29**
C. Net Carrying Amount								
As at 31.03.2024	**6068.00**	**588.83**	**1834.42**	**35.82**	**75.87**	**19.59**	**6.69**	**8629.20**
As at 31.03.2025	**6068.00**	**418.29**	**854.00**	**37.96**	**59.05**	**13.99**	**3.74**	**7455.02**

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2 Capital Work in Progress

(Amount in Lakhs, unless otherwise stated)

Particular	Amount in Capital Work in Progress as at 31.03.2025				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	---	---	---	---	---
Projects temporarily suspended	---	---	---	---	---

Particular	Amount in Capital Work in Progress as at 31.03.2024				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	51.78	---	---	---	51.78
Projects temporarily suspended	---	---	---	---	---

3 Intangible assets

(Amount in Lakhs, unless otherwise stated)

	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As at 01.04.2024	Additions	Deductions	As at 31.03.2025	As at 01.04.2024	For the year	Deductions	Other Adj.	As at 31.03.2025	As at 31.03.2025	As at 31.03.2024
Commercial Right-ETP Pipeline	396.13	---	---	396.13	285.88	39.61	---	---	325.49	70.64	110.25
Total	**396.13**	**---**	**---**	**396.13**	**285.88**	**39.61**	**---**	**---**	**325.49**	**70.64**	**110.25**

	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As at 01.04.2023	Additions	Deductions	As at 31.03.2024	As at 01.04.2023	For the year	Deductions	Other Adj.	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
Commercial Right-ETP Pipeline	412.63	---	16.51	396.13	257.35	39.61	11.09	---	285.88	110.25	155.28
Total	**412.63**	**---**	**16.51**	**396.13**	**257.35**	**39.61**	**11.09**	**---**	**285.88**	**110.25**	**155.28**

4 Financial Assets- Investments

(As valued , verified & certified by the management)

(Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Investment in equity instrument designated as at fair value through OCI		
1 Investment in Subsidiary Companies : (Unquoted)		
3000000 (3000000) Equity Shares of Mahalaxmi Exports Pvt. Ltd. of ₹10 each fully paid	300.00	300.00
2 Investment in Associates (Unquoted - Non Trade)		
Investment in Equity Instruments		
225 (225) Shares of Anand Chem Industries Pvt Ltd Of ₹ 1000/- Each	21.92	11.93
3 Investment in others (Unquoted-Trade)		
Investment in Equity Instruments		
200 (200)Shares of Social Co-op Bank Ltd of ₹100	0.20	0.20
TOTAL	**322.12**	**312.13**

The details of aggregate of quoted and unquoted investment:

Particulars	Book Value (In ₹)		Market Value (In ₹)	
	As at 31.03.2025	As at 31.03.2024	As at 31.03.2025	As at 31.03.2024
Aggregate Quoted Investment	----	----	----	----
Aggregate Unquoted Investment	322.12	312.13	----	----

Mahalaxmi Fabric Mills Limited

5 Non-Current Financial assets - Others

(Unsecured and considered good) (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Margin Money with Banks	3.28	2.23
Security Deposits	56.77	56.43
Total	**60.05**	**58.66**

6 Other non-current assets (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Non Financial Assets		
(Unsecured and considered good)		
Capital advance	---	---
Issue Expenses	---	---
Deferred Empolyees' Cost	---	---
Leasehold Land	1.00	1.50
Total	**1.00**	**1.50**

7 Inventories

(As verified, valued & certified by management) (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Raw Materials	126.85	228.32
Finished Goods	57.13	55.10
Semi-finished Goods	107.18	90.55
Fents, Rags & Scrap	5.44	34.17
Stores, Spares & Consumables	40.87	164.87
Total	**337.46**	**573.02**

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8 Trade receivable (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
(a) Trade Receivables considered Good -Secured	---	---
(b) Trade Receivables considered Good -Unsecured	874.18	2010.68
(c) Trade Receivables which have significant increase in credit risk	---	---
(d) Trade Receivables credit impaired	---	---
	874.18	**2010.68**
Less:- Provision for Doubtful Trade receivables	10.47	7.43
Total Trade Receivables (Billed)	**863.71**	**2003.26**
Trade Receivable-Unbilled -Jobwork Accrued	99.02	308.45
Total Trade Receivables	**962.73**	**2311.71**
Trade Recceivables includes dues from :		
Related Parties		
Mahalaxmi Exports	83.41	262.46
Globale Tessile Pvt. Ltd.	335.62	768.72
Mahalaxmi Exports Pvt. Ltd.	8.63	164.39
Mahalaxmi Rubtech Limited	---	177.82
	427.65	**1373.39**

Trade Receivables Ageing Schedule:

Particulars	Outstanding for following periods as at 31.03.2025					
	Less than 6 months year	6 months to 1Year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables –considered good	694.35	175.16	2.29	2.39	---	874.18
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	---	---	---	---	---	---
(iii) Undisputed Trade receivables – Credit Impaired	---	---	---	---	---	---
(iv) Disputed Trade Receivables considered doubtful	---	---	---	---	---	---
(v) Disputed Trade Receivables – which have significant increase in credit risk	---	---	---	---	---	---
(vi) Disputed Trade receivables – Credit Impaired	---	---	---	---	---	---
Total	**694.35**	**175.16**	**2.29**	**2.39**	**---**	**874.18**

Particulars	Outstanding for following periods as at 31.03.2024					
	Less than 6 months year	6 months to 1Year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables –considered good	1830.84	172.41	---	---	---	2003.25
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	---	---	2.78	2.29	2.36	7.43
(iii) Undisputed Trade receivables – Credit Impaired	---	---	---	---	---	---
(iv) Disputed Trade Receivables considered doubtful	---	---	---	---	---	---
(v) Disputed Trade Receivables – which have significant increase in credit risk	---	---	---	---	---	---
(vi) Disputed Trade receivables – Credit Impaired	---	---	---	---	---	---
Total	**1830.84**	**172.41**	**2.78**	**---**	**2.36**	**2010.68**

9 Cash and cash equivalents (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Balances with banks		
On current accounts	7.27	83.29
In Fixed deposit with maturity for less than 3 months	68.90	176.09
Cash on hand	1.68	2.46
Total cash and cash equivalents	**77.85**	**261.84**

10 Bank balances other than Cash and cash equivalent (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date	1193.79	1066.57
Balances with Banks held as margin money	---	---
In Fixed deposit with maturity more than 12 months	---	---
Earmarked Balance with banks (pertaining to dividend accounts with banks)	---	---
Total	**1193.79**	**1066.57**

Mahalaxmi Fabric Mills Limited

11 Current Financial assets - Loans (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Unsecured, considered good		
To Subsidiary & Associate Companies	41.74	105.86
To Others	39.50	---
	81.24	**105.86**

12 Current Financial assets - Others (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Interest Receivable under TUFS	0.00	0.81
Export Benefit Receivable	7.93	6.51
Insurance Claim Receivable(Refer Note No 47)	3941.44	0.00
Accrued Income	81.68	45.59
	4031.05	**52.92**

13 Other current assets (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Prepaid Expenses	89.58	29.33
Advance to employees	11.05	7.30
Balance with Statutory Authorities	180.59	4.96
Leasehold Land	0.50	0.50
Others	---	42.45
Total	**281.71**	**84.54**

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14 Assets classified as held for sale (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Plant & Machinery	15.07	15.05
Total	**15.07**	**15.05**

15 Equity Share Capital (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Authorized		
11000000(11000000) Equity Shares of ₹10 each	1100.00	1100.00
	1100.00	**1100.00**
Issued, subscribed and paid up		
10620275 (10620275)Equity Shares of ₹10 each fully paid up	1062.03	1062.03
Total	**1062.03**	**1062.03**

(a) Reconciliation of equity Shares outstanding at the beginning and at the end of the year

	As At 31-03-2025 No. of Shares	As At 31-03-2024 No. of Shares	As At 31-03-2025 Amount	As At 31-03-2024 Amount
Outstanding at the beginning of the year	10620275	10620275	1062.03	1062.03
Add: Issued during the year	--	--	--	--
Less: Cancellation during the year	--	--	--	--
Outstanding at the end of the year	10620275	10620275	1062.03	1062.03

(b) Rights, preferences and restrictions attached to Shares

The Company has only one class of Equity Shares having a par value of ₹ 10/- per share. Each of holder of Equity Share is entitled to one Vote per Share. The Company declares and pays Dividend in Indian Rupees. The Dividend proposed by the Board of Director is subject to approval of Shareholder in AGM. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company , after distribution of all preferential amounts, in proportion of their Shareholding. However, no such preferential amounts exist currently.

(c) Details of Shares held by Shareholders holding more than 5% of the aggregate Shares in the Company

Name of the Shareholder	As at 31 March 2025		As at 31 March 2024	
	Number of Shares	% of holding in the class	Number of Shares	% of holding in the class
Jeetmal B. Parekh	1289513	12.14%	1289513	12.14%
Rahul J. Parekh	1837710	17.30%	1837710	17.30%
Kamlaben J. Parekh	545000	5.13%	545000	5.13%
Anand J. Parekh	1705676	16.06%	1705676	16.06%

(d) The movement of Equity Shares during 5 years preceding to year ended March 31, 2025

	31-03-2025	31-03-2024
Equity shares movement during 5 years preceding March 31, 2025		
1. No. of Equity Shares alloted as fully paid-up without payment being received in cash	Nil	Nil
2. No. of Equity Shares issued as bonus shares	Nil	Nil
3. No. of Equity shares extinguished on buy-back	Nil	Nil

(e) Details of Shareholding of Promoters at the end of the year as follows :

S. No	Shares held by promoters at the end of the year	Equity Shares held by promoters at the end of March 31, 2025		Equity Shares held by promoters at the end of March 31, 2024	
	Promoter name	No. of Shares	%of total shares	No. of Equity Shares	% of total Equity Shares
1	Rahul Jeetmal Parekh	1837710	17.30	1837710	17.30
2	Anand Jeetmal Parekh	1705676	16.06	1705676	16.06
3	Jeetmal Bhoorchand Parekh	1289513	12.14	1289513	12.14
4	Kamladevi Jeetmal Parekh	545000	5.13	545000	5.13
5	Ratna Rahul Parekh	256535	2.42	256535	2.42
6	Jeetmal Bhoorchand (HUF)	129934	1.22	129934	1.22
7	Jeetmal Rahulkumar (HUF)	67026	0.63	67026	0.63
8	Yashovardhan Rahul Parekh	61596	0.58	61596	0.58
9	Rohan Anand Parekh	416260	3.92	416260	3.92
10	Amita A Parekh	---	---	---	---
11	Mamta A Surana	---	---	---	---
12	Jeetmal Prithviraj Parekh (HUF)	10250	0.10	10250	0.10
13	Atul Jain	2000	0.02	2000	0.02
14	Rahul Calchem Pvt Ltd	206094	1.94	206094	1.94
15	Mahalaxmi Calchem Private Limited	168196	1.58	168196	1.58
16	Anand Chem Industries Pvt Ltd	94195	0.89	94195	0.89
17	Heena Agriculture Private Limited	68344	0.64	68344	0.64
18	Rainbow Export Private Limited	---	---	---	---
19	Ashita Mercantile Private Limited	23862	0.22	23862	0.22
	Total	**6882191**	**64.80**	**6882191**	**64.80**

Mahalaxmi Fabric Mills Limited

16 Other Equity (Amount in Lakhs, unless otherwise stated)

		As at 31 March 2025	As at 31 March 2024
(a)	**Securities premium reserve**		
	Opening balance	7669.71	7669.71
	Add : Received during the year(Refer note No 50)	---	---
	Closing balance	**7669.71**	**7669.71**
(d)	**Retained Earnings**		
	Opening balance	-514.49	-311.95
	Add: Net profit for the year	361.59	-191.83
	Less: MAT Credit of Earlier Years	1.80	-10.72
	Closing balance	**-151.10**	**-514.49**
(e)	**Equity Instruments through OCI**		
	Opening Balance	3.26	---
	For The Year (net of Tax)	7.48	3.26
		10.74	**3.26**
(f)	**Other items of Other Comprehensive Income**		
	Opening balance	57.64	45.27
	Re-measurement gain/(loss) on defined benefit plans (net of tax)	31.35	12.37
	Closing balance	**88.99**	**57.64**
	Total Other Equity	**7618.34**	**7216.13**

Notes

The description of the nature and purpose of each reserve within equity is as follows:-

1 Securities Premium Reserve:-

Securities Premium Reserve in pursuance of Scheme of Arrangement .

2 General Reserve:-

General Reserve is a free Reserve created by the Company by transfer from Retained earnings of the Company for appropriation purposes.

3 Equity Instrument through OCI:-

The Company has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument.

4 Other Items of other Comprehensive Income:-

The Acturial Gain (net of tax) on defined benefit plan due to Change in Demographic Assumptions,Financial Assumption and Experience has been recognised in other Comprehensive Income.

17 Non-Current Borrowings (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Secured		
Term Loans		
From Banks	343.63	606.54
From Others	---	---
Total (A)	**343.63**	**606.54**
Unsecured		
Loan from Related Parties	**60.00**	12.95
Other Loans	**0.00**	5.00
Total (B)	**60.00**	**17.95**
TOTAL (A+B)	**403.63**	**624.49**

Notes

1 Rupee term loan from Bank of Baroda having outstanding amount of ₹ Nil (P.Y ₹1.90 Lakhs) secured by way of hypothecation of stock, book debts, plant & machineries & other movables and equitable mortgage of land and buildings and further secured by personal guarantee of promoter directors and repayable in 60 monthly installments commencing from May, 2020. Last installment due in April, 2025.

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2 Rupee term loan from Bank of Baroda having outstanding amount of ₹ 98.62 Lakhs (P.Y ₹ 144.62 Lakhs) secured by way of hypothecation of stock, book debts, plant & machineries & other movables and equitable mortgage of land and buildings and further secured by personal guarantee of promoter directors and repayable in 60 monthly installments commencing from Aug, 2022. Last installment due in July, 2027.

3 Rupee term loan from Bank of Baroda having outstanding amount of ₹ Nil (P.Y ₹ 117.80 Lakhs) secured by way of hypothecation of stock, book debts, plant & machineries & other movables and equitable mortgage of land and buildings and further secured by personal guarantee of promoter directors and repayable in 36 monthly installments commencing from October, 2021. Last installment due on September, 2024.

4 Rupee term loan from Bank of Baroda having outstanding amount of ₹0.00 lacs (P.Y ₹ 256.96 Lacs) secured by way of hypothecation of stock, book debts, plant & machineries & other movables and equitable mortgage of land and buildings and further secured by personal guarantee of promoter directors and repayable in 36 monthly installments commencing from November, 2023. Last installment due on October, 2026.

5 Rupee term loan from Bank of Baroda having outstanding amount of ₹ 427.73 lacs (P.Y ₹ 486.39 Lakhs) secured by way of hypothecation of stock, book debts, plant & machineries & other movables and equitable mortgage of land and buildings and further secured by personal guarantee of promoter directors and repayable in 60 monthly installments commencing from Sep, 2024. Last installment due in Aug, 2029.

18 Provisions (Non Current)

(Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Provision for Gratuity	40.41	60.55
Total	**40.41**	**60.55**

19 Deferred Tax Liabilities (Net)

(Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Deferred Tax Liability		
Fixed Assets: Impact of difference between tax depreciation and depreciation charges to financial reporting.	367.36	138.63
Fair Valuation Gain on Investments	4.16	1.64
	371.52	**140.27**
Deferred Tax Asset:		
Employees retirement benefits charged to statement of profit & loss but allowed for tax on payment basis.	21.22	28.76
Unabsorbed Loss	179.59	65.26
Remeasurements of defined benefit plans	-26.93	-16.39
	173.88	**77.64**
Deferred Tax Liabilities (Net)	**197.64**	**62.64**

20 Other Non- current Liabilities

(Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Deferred Income for Capital Subsidy	7.10	25.26
Deferred Income for EPCG Liabilty	---	7.69
Others	---	21.28
Total Non-Current Liabilities	**7.10**	**54.22**

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Mahalaxmi Fabric Mills Limited

21 Short -Term Borrowings (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Secured		
Loan repayble on Demand		
(a) From Banks		
Cash Credit	502.44	351.17
Foreign Bills Purchase	0.00	42.15
Overdraft	697.20	499.28
Export Packing Credit	114.23	157.82
(b) From Others	---	---
Current Maturities of long term debts	182.73	184.10
Total	**1496.60**	**1234.51**

Note

1 Cash Credit, Foreign Bills Purchase and Export packing Credit facilities are secured by way of hypothecation of stock, book debts, plant & machineries & other movables and equitable mortgage of land and buildings and further secured by personal guarantee of promoter directors and overdraft is secured by way of pledge of fixed deposit receipts of the company. (Refer Note No 50)

2 Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

22 Trade Payables (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Trade Payables		
Payable to related parties	656.51	653.60
Payable to Others	1734.42	2480.15
Total Trade Payables	**2390.93**	**3133.75**

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Trade Payble Ageing Schedule

Particulars	Outstanding for following periods from due date of payment 31.03.2025				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed dues-MSME	19.20	---	---	---	19.20
(ii) Undisputed dues - Others	1932.04	383.47	56.21	---	2371.72
(iii) Disputed dues – MSME	---	---	---	---	---
(iv) Disputed dues - Others	---	---	---	---	---
Total	**1951.25**	**383.47**	**56.21**	**---**	**2390.93**

Particulars	Outstanding for following periods from due date of payment 31.03.2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed dues-MSME	300.60	---	---	---	300.60
(ii) Undisputed dues - Others	2815.47	17.68	---	---	2833.15
(iii) Disputed dues – MSME	---	---	---	---	---
(iv) Disputed dues - Others	---	---	---	---	---
Total	**3116.07**	**17.68**	**---**	**---**	**3133.75**

23 Other financial liabilities

(Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Salary & Wages Payable	26.62	40.40
Provision for impairment of Assets	0.26	0.18
Other Liabilities	1301.99	---
Other Outstanding Expenses	291.96	92.70
Total	**1620.82**	**133.29**

24 Other current liabilities

(Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Advances from Customers	0.41	10.57
Security Deposit	---	---
Statutory Duties & Taxes	7.90	---
Total	**8.31**	**10.57**

25 Short Term Provisions

(Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Provision For Gratuity	43.92	42.84
	43.92	**42.84**

26 Revenue from operations

(Amount in Lakhs, unless otherwise stated)

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	For the year ended 31.03.2025	For the year ended 31.03.2024
Sales	1632.01	2157.93
Job Work Charges	4675.19	6540.81
Other Operating revenue		
Export Entitlement Benefits	38.19	51.77
Total revenue from operations	**6345.38**	**8750.51**

27 Other income

(Amount in Lakhs, unless otherwise stated)

	For the year ended 31.03.2025	For the year ended 31.03.2024
Exchange Rate Fluctuation	3.07	10.31
Sale of Scrap	0.33	---
Interest Received	98.39	94.87
Liability Written Back	2.95	43.44
Vatav Kasar	1.58	26.76
Profit on Sale/disposal of Fixed Assets	8.84	62.57
Amortisation of Deferred Income under EPCG Scheme	7.69	8.66
Amortisation of Deferred Income (Capital Subsidy)	18.16	21.83
Service Tax Refund	---	0.41
Rent Income	2.58	5.66
	143.58	**274.51**

Mahalaxmi Fabric Mills Limited

28 Cost of raw material consumed (Amount in Lakhs, unless otherwise stated)

	For the year ended 31.03.2025	For the year ended 31.03.2024
Raw Material Consumed:		
Opening Stock	228.32	334.95
Add: Purchases	2406.08	3279.07
Less: Lost of Stock by fire (Refer note No. 47)	100.00	---
Less: Closing Stock	126.85	228.32
Cost of raw material consumed	**2407.55**	**3385.70**

29 Changes in inventories (Amount in Lakhs, unless otherwise stated)

	For the year ended 31.03.2025	For the year ended 31.03.2024
Inventories at the beginning of the year		
Finished Goods	55.10	---
Semi Finished Goods	90.55	84.65
Fents, Rags & Scrap	34.17	77.14
	179.83	**161.79**
Less: Inventories at the end of the year		
Finished Goods	57.13	55.10
Semi Finished Goods	107.18	90.55
Fents, Rags & Scrap	5.44	34.17
	169.74	**179.83**
Net decrease/ (increase)	**10.09**	**-18.04**

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30 Manufacturing & Operating Cost (Amount in Lakhs, unless otherwise stated)

	For the year ended 31.03.2025	For the year ended 31.03.2024
Stores,Spares & Maintenance Expenses	372.62	424.04
Job Charges Paid	54.82	34.02
Design Expenses	56.93	96.83
Power & Fuel Expenses	1999.26	2724.61
Processing Charges	719.61	920.21
Laboratory Expenses	11.05	16.86
Freight, Clearing & Forwarding Expenses	8.98	9.65
Pollution Control Expenses	165.84	239.90
	3389.11	**4466.12**

31 Employee benefits expense (Amount in Lakhs, unless otherwise stated)

	For the year ended 31.03.2025	For the year ended 31.03.2024
Salaries, Wages, Bonus and Other Allowances	561.37	622.98
Gratuity	17.77	18.04
Contribution to Provident Fund and ESI	18.49	24.60
Employees' Welfare Expenses	11.89	12.23
	609.51	**677.85**

32 Finance costs (Amount in Lakhs, unless otherwise stated)

	For the year ended 31.03.2025	For the year ended 31.03.2024
Interest	145.64	123.08
Bank Commission & Charges	21.60	3.68
Total	**167.24**	**126.76**

33 Depreciation (Amount in Lakhs, unless otherwise stated)

	For the year ended 31.03.2025	For the year ended 31.03.2024
1. Depreciation on Property Plant & Equipment	333.69	396.95
2. Depreciation on Intangible Assets	39.61	39.61
Total	**373.30**	**436.56**

34 Other expenses (Amount in Lakhs, unless otherwise stated)

	For the year ended 31.03.2025	For the year ended 31.03.2024
E.C.G.C. Premium	1.01	2.27
Telecommunication Expenses	3.35	3.42
General Expenses	2.80	1.63
Insurance Premium	28.24	17.90
Advertisement Expenses	7.23	0.00
Audit Fees	2.25	2.00
Car Expenses	2.51	4.26
Packing Materials Expenses	52.80	71.90
Legal & Consulting Expenses	42.63	21.09
Postage & Courier Expenses	0.50	0.73
Rent, Rates and Taxes	14.43	15.50
Loss on Sale of Fixed Assets	2.37	0.06
Miscellaneous Expenses	14.66	13.18
Amortisation of Leasehold Land	0.50	0.50
Export Freight	10.04	20.48
Commission Expenses	10.59	1.21
Factory Expenses	0.24	0.27
Bad Debts written off	0.00	0.41
Printing & Stationery Expenses	8.08	7.86
Provision for impairment of Assets	0.08	---
Provision for impairment of Debtors	3.05	---
GST Reversal Expense	126.16	---
	333.51	**184.66**

35 Note : The following is the break-up of Auditors remuneration (Amount in Lakhs, unless otherwise stated)

	For the year ended 31.03.2025	For the year ended 31.03.2024
Statutory Audit Fee	2.25	2.00
For Others (Reports, Certificates, etc.)	2.05	0.28
Total	**4.30**	**2.28**

Mahalaxmi Fabric Mills Limited

36 (a) Financial Instruments by Category

(a) The carrying values and fair values of financial instruments at the end of each reporting periods is as follows:

	As at 31 Mar, 2025		As at 31 Mar, 2024	
	At FVTOCI	Amortised Cost	At FVTOCI	Amortised Cost
Assets:				
Investments (Non Current)	322.12		312.13	
Other Financial Non- current assets		60.05		58.66
Trade Receivables		962.73		2311.71
Cash & Cash Equivalents		77.85		261.84
Other Bank Balance		1193.79		1066.57
Loan		81.24		105.86
Other Financial current assets		4031.05		52.92
Total	**322.12**	**6406.71**	**312.13**	**3857.56**
Liabilities:				
Borrowings		403.63		624.49
Borrowings (Current)		1496.60		1234.51
Trade Payables		2390.93		3133.75
Other Financial Liabilities (Current)		1620.82		133.29
Total	**---**	**5911.98**	**---**	**5126.04**

(b) Fair Value Measurement

(i) Fair Value hierarchy

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

Level 2- Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3- Input for the assets or liabilities that are not based on observable market data (unobservable inputs)

(ii) The following table presents fair value hierarchy of assets and liabilities measured at fair value:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
Long terms Investments				
As at 31 Mar, 2025				
Fair values through OCI	322.12		322.12	
As at 31 Mar, 2024				
Fair values through OCI	312.13		312.13	

37 The details of Contingent Liabilities and Commitments (to the extent not provided for):

(Amt. in Lakhs, Unless otherwise stated)

Particulars		As at 31 March 2025	As at 31 March 2024
A	**Contingent Liabilities:**		
1	Employees' cases pending before labour courts In other cases of Employees' pending before labour courts, the liability is indeterminate The company has been advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.	27.26	19.49
2	Corporate Guarantee to the bankers on Behalf of Subsidiaries for facilities availed by them	3750.00	---
3	Outstanding Bank Gurantee	2.75	---
4	Demand of Stamp Duty in relation to Demerger, not acknowledge by the company	132.12	---

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38 Amortisation of Intangible assets

Commercial Right to use effluent treatment pipeline and CETP has been amortised @ 10% on straight line basis as the useful life thereof has been estimated to be not more than 10 years.

39 Calculation of Earning per Share (Amt. in Lakhs, Unless otherwise stated)

Earning per Share		AS AT March 31, 2025	AS AT March 31, 2024
Net Profit after Tax	₹	361.59	(191.83)
Nominal Value of equity share	₹	10.00	10.00
Weighted average number of equity shares(Refer Note No. 50)	Nos.		
- for Basic EPS		10620275	10620275
- for Diluted EPS		10620275	10620275
Basic EPS	₹	3.40	(1.81)
Diluted EPS	₹	3.40	(1.81)

40 The information required to be disclosed under the MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company regarding the status of suppliers as defined under the said Act. The disclosure in respect of amounts payable to Micro and Small Enterprises as at the reporting date are based on the information available with the Company regarding the status of its vendors under the MSMED Act, 2006. Only those parties have been considered as micro and small manufacturing /service enterprises(MSE) who have registered themselves as such and have communicated their MSE status to the Company along with requisit documentation. However, in the considdered view of Management and as relied upon by the auditors, impact of interest, if any that may be payable in accordance with the provisions of this Act is not expected to be material.

41 Related Party Transactions:

As per Indian Accounting Standard 24, Related Party Disclosure is as under:

(a) List of Related Parties with whom transactions have taken place during the year and relationship:

Name of the Related Party	Relationship
Globale Tessile Limited	Associate
Mahalaxmi Exports Private Limited	Subsidiary
Mahalaxmi Rubtech Ltd.	Associate
Mahalaxmi Cal Chem Pvt. Ltd	Associate
Anand Chem Industries Pvt. Ltd.	Associate
Mahalaxmi Exports	Associate
Rahul Textile	Associate
Rajshree Raol	Key Managerial Personnel
Naresh Kanzariya	Key Managerial Personnel
Heer Pandya	Key Managerial Personnel
Jeetmal B Parekh	Key Managerial Personnel
Rahul J Parekh	Key Managerial Personnel
Anand J. Parekh	Key Managerial Personnel

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Transactions during the year ended March 31, 2025 with Related Parties:

(Amount in Lakhs, unless otherwise stated)

Nature of Transaction	Associate	Key Managerial Personnel	Subsidiary	Relative of KMP
Rent paid				
Rahul Textile	1.17	---	---	---
	1.17	**---**	**---**	**---**
Rent Received				
Globale Tessile Limited	0.60	---	---	---
Mahalaxmi Exports Pvt. Ltd.	---	---	1.20	---
Mahalaxmi Exports	0.60	---	---	---
	1.20	**---**	**1.20**	**---**
Salary Paid				
Anand Jeetmal Parekh	---	22.87	---	---
Rajshree Raol	---	10.94	---	---
Naresh Kanzariya	---	1.28	---	---
Heer Yuvraj Pandya	---	1.42	---	---
	---	**36.51**	**---**	**---**
Purchase				
Mahalaxmi Exports Pvt. Ltd.	---	---	57.19	---
Anand Chem Ind. P. Ltd.	213.20	---	---	---
Mahalaxmi Exports	87.93	---	---	---
	301.13	**---**	**57.19**	**---**
Job charges Paid				
Mahalaxmi Exports Pvt. Ltd.	---	---	18.20	---
	---	**---**	**18.20**	**---**
Sales				
Mahalaxmi Exports Pvt. Ltd.	---	---	10.16	---
Mahalaxmi Exports	378.56	---	---	---
	378.56	**---**	**10.16**	**---**
Job charges Received				
Mahalaxmi Exports Pvt. Ltd.	---	---	1348.18	---
Mahalaxmi Exports	652.41	---	---	---
Globale Tessile Pvt. Ltd.	1112.91	---	---	---
	1765.32	**---**	**1348.18**	**---**
Corporate Guarantee Given				
Mahalaxmi Exports Pvt. Ltd.	---	---	3750.00	---
	---	**---**	**3750.00**	**---**
Claim againts Damages				
Mahalaxmi Exports Pvt. Ltd.	---	---	435.24	---
Mahalaxmi Exports	228.05			
Globale Tessile Limited	296.30	---	---	---
	524.35	**---**	**435.24**	**---**
Advance Recovered				
Mahalaxmi Rubtech Limited	0.08	---	---	---
Mahalaxmi Exports Pvt. Ltd.	---	---	64.12	---
	0.08	**---**	**64.12**	**---**

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(Amount in Lakhs, unless otherwise stated)

Nature of Transaction	Associate	Key Managerial Personnel	Subsidiary	Relative of KMP
Loan Taken				
Anand J Parekh	---	60.00	---	---
	---	**60.00**	**---**	**---**
Loan Repaid				
Rahul J Parekh	---	0.20	---	---
Jeetmal B Parekh	---	12.75	---	---
	0.00	**12.95**	**---**	**---**
Outstandings				
Payables				
Anand Chem Industries Pvt. Ltd.	0.99	---	---	---
Mahalaxmi Rubtech Limited	603.77	---	---	---
	604.76	**---**	**---**	**---**
Claim againts Damages				
Mahalaxmi Exports Pvt. Ltd.	---	---	435.24	---
Mahalaxmi Exports	228.05			
Globale Tessile Limited	296.73	---	---	---
	524.78	**---**	**435.24**	**---**
Receivables				
Mahalaxmi Exports	83.41	---	---	---
Globale Tessile Pvt. Ltd.	335.62	---	---	---
Mahalaxmi Exports Pvt. Ltd.	---	---	8.63	---
	419.03	**---**	**8.63**	**---**
Loan Taken				
Anand J Parekh	---	60.00	---	---
	---	**60.00**	**---**	**---**
Advance Given				
Mahalaxmi Exports Pvt. Ltd.	---	---	41.74	---
	---	**---**	**41.74**	**---**
Investments (Unquoted)				
Closing Balance				
Anand Chem Ind. P. Ltd.	21.92	---	---	---
Mahalaxmi Exports Pvt. Ltd.	---	---	300.00	---
	21.92	**---**	**300.00**	**---**
Corporate Guarantee				
Closing Balance				
Mahalaxmi Exports Pvt. Ltd.	---	---	3750.00	---
	---	**---**	**3750.00**	**---**

(b) Transactions during the year ended March 31, 2024 with Related Parties:

(Amount in Lakhs, unless otherwise stated)

Nature of Transaction	Associate	Key Managerial Personnel	Subsidiary	Relative of KMP
Rent paid				
Rahul Textile	1.08	---	---	---
	1.08	**---**	**---**	**---**
Rent Received				
Globale Tessile Private Limited	3.60	---	---	---
Mahalaxmi Exports Pvt. Ltd.		---	1.20	---
Mahalaxmi Exports	0.60	---	---	---
	4.20	**---**	**1.20**	**---**

Mahalaxmi Fabric Mills Limited

(Amount in Lakhs, unless otherwise stated)

Nature of Transaction	Associate	Key Managerial Personnel	Subsidiary	Relative of KMP
Purchase				
Globale Tessile Limited	4.06	---	---	---
Mahalaxmi Exports Pvt. Ltd.	---	---	10.61	---
Mahalaxmi Rubtech Limited	24.87	---	---	---
Mahalaxmi Cal Chem P Ltd.	0.18	---	---	---
Anand Chem Ind. P. Ltd.	256.88	---	---	---
Mahalaxmi Exports	38.39	---	---	---
	324.38	**---**	**10.61**	**---**
Job charges Paid				
Mahalaxmi Exports Pvt. Ltd.	---	---	24.30	---
	---	**---**	**24.30**	**---**
Sales				
Mahalaxmi Exports Pvt. Ltd.	---	---	1.67	---
Mahalaxmi Exports	38.66	---	---	---
	38.66	**---**	**1.67**	**---**
Job charges Received				
Mahalaxmi Exports Pvt. Ltd.	---	---	1857.56	---
Mahalaxmi Exports	460.49	---	---	---
Globale Tessile Pvt. Ltd.	1450.89	---	---	---
	1911.37	**---**	**1857.56**	**---**
Loan Taken				
Mahalaxmi Rubtech Limited	175.42	---	---	---
Rahul J Parekh	---	0.20	---	---
Jeetmal B Parekh	---	12.75	---	---
	175.42	**12.95**	**---**	**---**
Loan Repaid				
Mahalaxmi Rubtech Limited	175.42	---	---	---
	175.42	**---**	**---**	**---**
Advance Given				
Mahalaxmi Rubtech Limited	0.08	---	---	---
Mahalaxmi Exports Pvt. Ltd.	---	---	105.86	---
	0.08	**---**	**105.86**	**---**
Advance Recovered				
Mahalaxmi Rubtech Limited	118.08	---	---	---
	118.08	**---**	**---**	**---**
Outstandings				
Payables				
Anand Chem Industries Pvt. Ltd.	28.44	---	---	---
	28.44	**---**	**---**	**---**
Receivables				
Mahalaxmi Exports	262.46	---	---	---
Mahalaxmi Rubtech Limited	177.82	---	---	---
Globale Tessile Limited	768.72	---	---	---
Mahalaxmi Exports Pvt. Ltd.	---	---	164.39	---
	1209.00	**---**	**164.39**	**---**

Value Research

(Amount in Lakhs, unless otherwise stated)

Nature of Transaction	Associate	Key Managerial Personnel	Subsidiary	Relative of KMP
Loan Given				
Mahalaxmi Exports Pvt. Ltd.	---	---	105.86	---
	---	**---**	**105.86**	**---**
Loan Taken				
Rahul J Parekh	---	0.20	---	---
Jeetmal B Parekh	---	12.75	---	---
	---	**12.95**	**---**	**---**
Advance Given				
Mahalaxmi Rubtech Limited	0.08	---	---	---
	0.08	**---**	**---**	**---**
Investments (Unquoted)				
Closing Balance				
Anand Chem Industries Pvt. Ltd.	11.92	---	---	---
Mahalaxmi Exports Pvt. Ltd.	---	---	300.00	---
	11.92	**---**	**300.00**	**---**

42 Derivatives Instruments:

(a) Derivatives outstanding as at the Balance Sheet Date:

(Amount in Lakhs, unless otherwise stated)

Currency	Exposure to Buy / Sell	No. of Contracts	As at the year ended	
			₹ Lacs	Foreign Currency
USD	**NIL**	**NIL**	**NIL**	**NIL**

Value Research

(b) Foreign currency exposure at the year end not hedged by derivative instruments:

Particulars	As at 31/03/2025	As at 31/03/2024
Payable against import of goods & services		
Rupees in Lakhs	---	---
US Dollar	---	---
GBP	---	---
CHF	---	---
Euro	---	---
Advance payment to suppliers and for expenses		
Rupees in Lacs	---	---
Euro	---	---
US Dollar	---	---
Receivable against export of goods and services		
Rupees in Lacs	---	---
US Dollar	---	---
Euro	---	---

The Company entered in to derivative contracts strictly for hedging purposes only and not for trading or speculation purposes.

43 Disclosure pursuant to Accounting Standard-17 "Segment Reporting":

During the year under consideration ,the company operated in only one segment i.e manufacturing and trading of traditional textile.

Mahalaxmi Fabric Mills Limited

44 Reconciliation of opening and closing balances of Defined Benefit Obligation (Amount in Lakhs, unless otherwise stated)

Gratuity (Non-Funded)

	2024-25	2023-24
Defined Benefit obligation at beginning of year	103.39	0.00
Current Service Cost	6.81	9.69
Interest Cost	10.96	8.35
Past Service Cost	0.00	0.00
Actuarial (gain)/loss	-41.89	-17.14
Liability Transferred In/Acquisitons	11.43	111.30
Benefits paid	-6.37	-8.80
Defined Benefit obligation at year end	**84.34**	**103.39**

Reconciliation of opening and closing balances of fair value of Plan Assets (Amount in Lakhs, unless otherwise stated)

Gratuity (Non-Funded)

	2024-25	2023-24
Fair value of Plan assets at beginning of year	---	---
Expected return on plan assets	---	---
Actuarial gain/loss	---	---
Employer contribution	---	---
Benefits paid	---	---
Fair value of Plan assets at year end	---	---
Actual return on plan assets	**---**	**---**

Reconciliation of fair value of assets and obligations

	As at 31.03.25	As at 31.03.24
Fair value of Plan assets	---	---
Present value of obligation	84.34	103.39
Amount recognised in Balance Sheet	**84.34**	**103.39**

Expenses recognised in Profit & Loss A/c

	2024-25	2023-24
Current Service Cost	6.81	9.69
Interest Cost	10.96	8.35
Past Service Cost	---	0.00
Expected return on Plan assets	---	0.00
NET COST	**17.77**	**18.04**

Expenses recognised in OCI

	2024-25	2023-24
Actuarial (gain)/loss	(41.89)	(17.14)
Total	**(41.89)**	**(17.14)**

Investment Details

	31-03-25	31-03-24
GOI Securities	-	-
Public Securities	-	-
State Government Securities	-	-
Insurance Policies	-	-
Others (including bank balances)	-	-

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Actuarial assumptions

	2024-25	2023-24
Mortality Table(LIC)		
Attrition Rate	20%	2%
Discount rate (per annum)	6.54%	7.23%
Expected rate of return on Plan Assets(per annum)	N.A.	N.A.
Rate of escalation in salary (Per Annum)	5%	5%

45 Financial Risk Management

The principal financial assets of the Company include loans, trade and other receivables, and cash and bank balances that derive directly from its operations. The principal financial liabilities of the company, include loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the company.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and that advises on financial risks and the appropriate financial risk governance framework for the Company.

This note explains the risks which the company is exposed to and policies and framework adopted by the company to manage these risks:

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 prices comprise three types of risk: foreign currency risk, interest rate risk, investment risk.

(i) Foreign currency risk

The company also operates in international market and business is transacted in foreign currencies.

The export sales of company comprise around 6.75% of the total sales of the company, Further the company also imports certain assets and material from outside India. The exchange rate between the Indian rupee and foreign currencies has changed substantially in the future. Consequently the company is exposed to foreign currency risk and the results of the company may be affected as the rupee appreciates/ depreciates against foreign currencies. Foreign exchange risk arises from the future probable transactions and recognized assets and liabilities denominated in a currency other than company's functional currency.

The company measures the risk through a forecast of highly probable foreign currency cash flows and manages its foreign currency risk by appropriately hedging the transactions. The Company uses a derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

The following table summarizes the company's exposure foreign currency risk from financial instruments at the end of each reporting period:

(Amount in Lakhs, unless otherwise stated)

Foreign Currency

EParticulars	As at 31 Mar, 2025	As at 31 Mar, 2024
a) Exposure on account of Financial Assets		
Trade receivables (net of bill discounted) (A)		
In USD	---	---
In Euro	---	---
Amount hedged through forwards & options # (B)		
In USD	---	---
In Euro	---	---
Net Exposure to Foreign Currency Assets (C=A-B)		
In USD	---	---
In Euro	---	---
b) Exposure on account of Financial Liabilities		
Trade Payables (D)		
In USD	---	---
In Euro	---	---
In GBP	---	---
In CHF	---	---

EParticulars	As at 31 Mar, 2025	As at 31 Mar, 2024
Amount Hedged through forwards & options # (E)		
In USD	---	---
In Euro	---	---
In CHF		
Net Exposure to Foreign Currency Liabilities F=(D-E)		
In USD	---	---
In Euro	---	---
In GBP		
In CHF	---	---
Net Exposure to Foreign Currency Assets/(Liability) (C-F)	---	---
In USD	---	---
In Euro	---	---
In GBP	---	---
In CHF	---	---

Foreign Currency Risk Sensitivity

The impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives on account of reasonably possible change in USD and Euro exchange rates (with all other variables held constant) will be as under:

Particulars	Net Impact on Profit before Tax	
	As at 2024-25	As at 2023-24
USD sensitivity		
INR/USD -Increase by 5%	---	---
INR/USD -Decrease by 5%	---	---
EURO sensitivity		
INR/EURO -Increase by 5%	---	---
INR/EURO -Decrease by 5%	---	---
CHF sensitivity		
INR/EURO -Increase by 5%	---	---
INR/EURO -Decrease by 5%	---	---

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

As the Company has no significant interest-bearing assets, the income and operating cash flows are substantially independent 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 debt obligations with floating interest rates, which are included in interest bearing loans and borrowings in these financial statements. The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

At the reporting date the interest rate profile of the Company's interest bearing financial instrument is at its fair value:

Exposure to Interest Rate risk

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(Amount in Lakhs, unless otherwise stated)

Particulars	As at 31 Mar, 2025	As at 31 Mar, 2024
Long term debts from Banks and Financial Institutions	343.63	606.54
Current Maturities of long term debts	182.73	184.10
Unsecured Loan		
- From Bank	-	-
- From Related Parties	60.00	12.95
Short term Borrowings from Banks	616.67	551.13
Overdraft from Bank	697.20	499.28
Total borrowings	**1900.22**	**1854.01**
% of Borrowings out of above bearing variable rate of interest	63.31%	73.07%

Interest rate sensitivity

A change of 50 bps in interest rate would have following impact on Profit before tax

(Amount in Lakhs, unless otherwise stated)

Particulars	As at 31 Mar, 2025	As at 31 Mar, 2024
50 bps increase would decrease the profit before tax by	-6.02	-6.77
50 bps decrease would increase the profit before tax by	6.02	6.77

(iii) Investment Risk

The Company is exposed to equity price risk arising from equity investments.

The Company manages equity price risk by investing in fixed deposits/Fixed Maturity Plans. The Company does not actively trade equity investments. Protection principle is given high priority by limiting Company's investments to fixed deposits/Fixed Maturity plans only.

Liquidity Risk

The financial liabilities of the company, other than derivatives, include loans and borrowings, trade and other payables. The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company monitors its risk of shortage of funds to meet the financial liabilities using a liquidity planning tool. The company plans to maintain sufficient cash and deposits to meet the obligations as and when fall due.

The below is the detail of contractual maturities of the financial liabilities of the Company at the end of each reporting period:

Particulars	As at 31-Mar-25	As at 31-Mar-24
Borrowings		
expiring within one year	1496.60	1229.51
expiring beyond one year	403.63	624.49
	1900.23	**1854.00**
Trade Payables		
expiring within one year	1951.25	3116.07
expiring beyond one year	439.68	17.67
	2390.93	**3133.74**
Other Financial liabilities		
expiring within one year	1620.83	133.29
expiring beyond one year	-	-
	1620.83	**133.29**

Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured. Credit risk on cash and bank balances is limited as the company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in liquid mutual fund units, bonds, fixed maturity plan etc. issued by institutions having proven track record. The Company's credit risk in case of all other financial instruments is negligible.

The company assesses the credit risk for the overseas customers based on external credit ratings assigned by credit rating agencies. The company also assesses the creditworthiness of the customers internally to whom goods are sold on credit terms in the normal course of business. The credit limit of each customer is defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to overseas customers are generally covered by ECGC.

The impairment analysis is performed on client to client basis for the debtors that are past due at the end of each reporting date. The company has not considered an allowance for doubtful debts in case of trade receivables that are past due but there has not been a significant change in the credit quality and the amounts are still considered recoverable.

The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables as disclosed at Note 8

Write off policy

The financial assets are written off, in case there is no reasonable expectation of recovering from the financial asset.

46 Capital Management

The capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to maintain optimum capital structure to reduce cost of capital and to maximize the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants which otherwise would permit the banks to immediately call loans and borrowings. In order 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 equity. The Company's gearing ratio was as follows:

(Amount in Lakhs)

Particulars	Financial Year ended 31.03.2025	Financial Year ended 31.03.2024
Total Borrowings	1900.22	1854.01
Less: Cash and cash equivalents	77.85	261.84
Net debt	**1822.37**	**1592.17**
Total equity	8680.37	8278.15
Gearing ratio	20.99%	19.23%

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Further, there have been no breaches in the financial covenants of any interest-bearing loans and borrowing during the year ended 31st March 2025.

47 Additional Regulatory Information

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

2 The Company do not have any transactions with companies struck off.

3 The Company do not have any charges or satisfaction of charges which are yet to be registered with Registrar of Companies beyond the statutory period.

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

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

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

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

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

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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provision of the Income tax Act,1961)

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

8 Ratios (Continuing operations)

(Amount in Lakhs, unless otherwise stated)

Sr No	Particular	Numerator	Denominator	March 31,2025	March 31,2024	% of Variance	Reason for Variance of more than 25%
1	Current Ratio	Current Asset	Current Liabilities	1.26	0.98	27.89	Variance is due to Increase in Current Assets
2	Debt-Equity Ratio	Long Term Debts	Shareholders Equity	0.17	0.15	15.61	---
3	Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Noncash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	3.82	1.05	264.06	Variance is due to increase in net profit after taxes and decrease in Debt repayment.
4	Return on Equity Ratio	Net Profits after taxes – Preference Dividend (if any)	Shareholder's Equity	0.04	-0.02	279.76	Variance is due to increase in net profit after taxes
5	Inventory turnover ratio	Cost of goods sold/Net Sales	Average Inventory	41.40	73.92	-43.99	Variance is due to decrease in Net Sales.
6	Trade Receivables turnover ratio	Net credit sales = Gross credit sales - sales return	Avg. Accounts Receivable	3.88	3.77	2.80	---
7	Trade payables turnover ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	2.36	2.81	-16.08	---
8	Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	4.47	-104.85	104.26	Variance is due to Positive working capital in comparision to Negative working Capital last year
9	Net profit ratio	Net Profit	Net sales = Total sales - sales return	0.06	-0.02	359.94	Variance is due to increase in net profit after taxes
10	Return on Capital employed	Earning before interest and taxes	Capital Employed = Total Equity+Long term Debt	0.05	-0.03	302.00	Variance is due to increase in net profit before taxes
11	Operating profit Margin (%)	Earning before interest and taxes	Revenue from operations	9.92	-1.27	11.19	---
12	Return on Net Worth (%)	Total comprehensive income for the year, net of tax	Net worth= Total Equity	4.61	-2.14	6.75	---

48 Loss due to Fire

On 24th November,2024, a massive fire broke out at the factory premises of the Company, causing extensive damage to the building, plant and machinery, furniture, equipment, and inventories, including goods belonging to third parties received for job work As a result, there has been a significant loss to the Company's assets. The estimated loss arising from the incident has been duly accounted for in the books of account. Insurance claim has been lodged with the Company's insurer, and the surveyor appointed by the insurance company is in the process of finalizing the assessment of the loss. Pending final settlement, the Company has recognized the estimated claim receivable from the insurance company to the extent of loss accounted. Any amount of insurance claim receivable over and above the book value of the damaged fixed assets has been presented as an Exceptional Item in the Statement of Profit and Loss.

The management believes that the final insurance claim will be settled in due course and is confident of recovering the claimed amount. The necessary adjustments, if any, will be made in the books of account upon final determination of the claim by the insurer

Mahalaxmi Fabric Mills Limited

49 Notes forming part of the Financial Statements for the year ended 31 March 2025

A General Information

Mahalaxmi Fabric Mills Limited (Company) is an Listed Public Company domiciled in India and was incorporated on 04th April, 1991 under the provisions of the Companies Act, 1956 applicable in India. The Company is primarily engaged in the business of manufacturing of traditional textile and technical textile products.

B Significant accounting policies

Significant accounting policies adopted by the company are as under:

(a) Basis of Preparation of Financial Statements

(i) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except certain financial assets and liabilities measured at fair value.

(iii) Current and non current classification

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act.

(b) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected.

(c) Property, plant and equipment

The Company had applied for the one time transition exemption of considering the carrying cost on the transition date i.e. 1st April, 2016 as the deemed cost under IND AS. Hence regarded thereafter as historical cost.

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are taken as prescribed useful lives under Schedule II to the Companies Act, 2013. The management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

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(d) Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

(e) Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

The Company has amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible asset is 10 years.

(f) Investments in subsidiaries , associates

Investments in subsidiaries , associates are recognised at fair value.

(g) Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(h) Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions."

(i) Financial Instruments.

Fair value measurement

The Company has valued financial assets and Financial Liabilities, at fair value. Impact of fair value changes as on date of transition, is recognised in opening reserves and changes there after are recognised in Statement of Profit and Loss Account or Other Comprehensive Income, as the case may be.

Financial Assets

The company classifies its financial assets as those to be measured subsequently at fair value (either through other comprehensive income or through Profit or loss) and those to be measured at amortised cost.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable to transaction costs.

(j) Revenue Recognition

The company derives revenues primarily from sale of manufactured goods, traded goods, job work and related services.

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the companys activities as described below:

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the company as part of the comtract.

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Sale of products:

Revenue from sale of products is recognised when significant risks and rewards in respect of ownership of products are transferred to customers based on the terms of sale. Revenue from sales is based on the price specified in the sales contracts, net of all discounts, returns and goods & service tax at the time of sale.

(k) Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities in accordance with the relevant prevailing tax laws. Tax expenses relating to the items in profit & loss account shall be treated as current tax as part of profit and loss and those relating to items in other comprehensive income shall be recognised as part of OCI.

(b) Deferred tax

Deferred income tax is recognised for all the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

At each balance sheet , the company re-assesses unrecognised deferred tax asets, if any, and the same is recognised to the extent it has become probable that future taxable profit will allow the deffered tax asset to be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority."

(l) Assets classified as held for sale

The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets (or disposal group) held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities (or disposal group) classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

(m) Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as a lessee are shown as other non current assets . Payments made under operating leases (net of any incentives received from the lesser) are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease .

(n) Inventories

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials, finished goods, semi finished goods, trading goods and stores and spare parts are valued at lower of cost and net realizable value. Cost includes purchase price, (excluding taxes those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. Fent, rags and rejections are stated at net realisable value. In determining the cost, FIFO method is used.

(o) Impairment of assets

The carrying value of assets / cash generating units at the Balance Sheet date are reviewed for impairment, if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognied for such excess amount.

(p) Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks 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.

Contingent liabilities are disclosed 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 or a reliable estimate of the amount cannot be made.

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(q) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft.

(r) 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.

(I) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) at amortized cost; or

b) at fair value through other comprehensive income; or

c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows."

(iii) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments.The impairment methodology applied depends on whether there has been a significant increase in credit risk.

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(iv) Derecognition of financial assets

A financial asset is derecognized only when

a) the rights to receive cash flows from the financial asset is transferred or

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized."

(II) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

(ii) Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost . Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized .

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms

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of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

(s) Employee Benefits

(I) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled.

(II) Other long-term employee benefit obligations

(i) Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) Defined benefit plans

Gratuity: The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

(t) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year, if any. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares."

(u) Research & Development

Expenditure on research and development is recognised as an expense when it is incurred. Expenditure which results in increase in property, plant and equipment are capitalised and depreciated in accordance with the policies stated for property, plant & equipment.

(v) Government grants

Grants from the government are recogmised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all the attached conditions.All government grants are intially recognised by way of setting up as deferred income. Government grants relating to income are recognised in the profit & loss account . Government grants relating to purchase of property, plant & equipment are subsequently recognised in profit & loss on a systematic basis over the expected life of the related depreciable assets. Grants recognised in Profit & Loss as above are presented within other income.

(w) Inter divisional transcations

Inter divisional transcations are eliminated as contra items. Any unrealised profits on unsold stocks on account of inter divisional transcations is eliminated while valuing the inventory.

(x) Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

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Estimates and assumptions

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

(i) Taxes

Significant assumptions and judgements are involved in determining the provision for tax based on tax enactments, relevant judicial pronuncements including an estimation of the likely outcome of any open tax assements/ litigations. Deferred income tax assets are recognised to the extent that it is probable that future taxable income will be available , based on estimates thereof.

(ii) Defined benefit plans (gratuity benefits and leave encashment)

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

Summary of significant accounting policies
The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

For BHANWAR JAIN & CO.
Chartered Accountants.
Firm Registration No. : 117340W

Sd/-
(B. M. JAIN)
Proprietor
Membership No. : 034943

AHMEDABAD: 29th May , 2025.

For and on behalf of Board of Directors of Mahalaxmi Fabric Mills Ltd.

Sd/-	Sd/-	Sd/-
Jeetmal B. Parekh	**Anand J. Parekh**	**Rahul J. Parekh**
Director	**Managing Director**	**Director**
(DIN 00512415)	(DIN: 00500384)	(DIN: 00500328)
Sd/-	Sd/-	Sd/-
Sangita S. Shingi	**Nehal M. Shah**	**Indra B. Singhvi**
Director	**Director**	**Director**
(DIN 06999605)	(DIN 00020062)	(DIN 07054136)
Sd/-		
Rajshree Raol	**Heer Yuvraj Pandya**	
Chief Financial Officer	**Company Secretary**	

AHMEDABAD: 29th May , 2025.

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Mahalaxmi Fabric Mills Limited

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
MAHALAXMI FABRIC MILLS LIMITED

Report on the audit of Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of MAHALAXMI FABRIC MILLS LIMITED ("the Company"), which comprise of the Balance Sheet as at March 31, 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 a summary of significant accounting policies and other explanatory information (hereinafter referred to as " Consolidated Financial Statements".

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports on separate financial statements of such subsidiary, the aforesaid Consolidated 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 31 March 2025, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated 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 Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Emphasis of Matter

We draw attention to Note 48 of the financial statements, which describes the impact of a major fire incident that occurred at the Company's factory. Our opinion is not modified in respect of this matter.

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Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our audit addressed the key audit matter
1. Major fire incident at factory During the year, a major fire occurred at the Company's primary manufacturing factory, resulting in significant damage to fixed assets, inventory, goods received from third parties for job work and disruption of operations. The Company has recognised impairment losses on fixed assets and write-down of inventory, and disclosed the estimated losses and expected insurance claims receivable and payable to third parties under Note 48 to the financial statements. We considered this a key audit matter due to the magnitude of the impact on the financial statements, the significant management judgment involved in assessing asset impairments and estimating recoveries from insurance, and the importance of related disclosures.	**In this regard, our audit procedures included:** Evaluated the Company's process for identifying and recording losses and related insurance claims. Verified the impairment of affected fixed assets and the write-down of inventory. Reviewed communications with insurance providers and legal advisors. Assessed the adequacy and transparency of disclosures in the financial statements. Considered the implications for the Company's ability to continue as a going concern.
2. Revenue Recognition: Company's revenue is derived primarily from sale of goods. Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer and there are no longer any unfulfilled performance obligations. The performance obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms. Inappropriate assessment could lead to risk of revenue being recognized before transfer of control. In view of the above and since revenue is a key performance indicator of the Company, we have identified timing of revenue recognition from sale of goods as a key audit matter.	Assessing the appropriateness of the accounting policy for revenue recognition with relevant accounting standards; Evaluating the design and implementation of the Company's key internal financial controls in relation to timing of revenue recognition and tested the operating effectiveness of such controls for selected samples Performing detailed testing by selecting samples of revenue transactions recorded during the year and around the year end date using statistical sampling. We assessed fulfilment of performance obligations during the year by verifying the underlying documents. These documents included contract specifying terms of sale, invoices, goods dispatch notes, customer acceptances and shipping documents; Testing, on a sample basis using specified risk based criteria, journal entries affecting revenue recognised during the year to identify unusual items.
3. Valuation of Inventories The Company is a traditional textile manufacturer and the inventory primarily comprises of grey fabric, dyed and printed fabric etc. Inventories are valued at lower of cost and net realisable value. The Company maintains its inventory levels based on forecast demand and expected future selling prices. There is a risk of inventories being measured at values which are not representative of the lower of costs and net realisable value ('NRV') The Company exercises high degree of judgment in assessing the NRV of the inventories on account of estimation of future market and economic conditions. The carrying value of inventories is material in the context of total assets of the Company. We identified the valuation of inventories as a key audit matter.	In this regard, our audit procedures included: Assessing the appropriateness of the accounting policy for inventories with relevant accounting standards: Evaluating the design and implementation of the Company's key internal financial controls over valuation of inventories and testing the operating effectiveness of such controls for selected samples; Observing the physical verification of inventory on a sample basis. In this regard, we have considered the physical condition of inventory by way of obsolescence or wear and tear, wherever relevant and applicable, in determining the valuation of such inventory. For NRV testing, selecting inventory items, on a sample basis at reporting date and compared their carrying value to their subsequent selling prices as indicated in sales invoices subsequent to the reporting date.

Information other than the Consolidated Financial Statements and Auditor's report thereon

The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Directors' Report including the Annexures to the Directors' report, but does not include the Consolidated Financial Statements and our auditor's report thereon.

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

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

Mahalaxmi Fabric Mills Limited

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 Consolidated Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated Financial Statements.

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

i) Identify and assess the risks of material misstatement of the Consolidated 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.

ii) Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

iv) 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 Consolidated 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.

v) Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated 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 Consolidated Financial Statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of the section 143 of the Act, we give in the Annexure "A", a statement on the matters specified in the paragraph 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;

   (c) The balance sheet, the Statement of profit and loss including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flow dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued there under.

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

   (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in the Annexure-B . Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

   (g) With respect to the 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 remuneration paid / provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

      i. The company has disclosed the impact of pending litigations on its financial position in its Consolidated Financial Statements. Refer Note No.37 to the Consolidated Financial Statements.

      ii. The company has made provision, as required under the applicable law or IND AS, for material foreseeable losses, if any, on long term contracts including derivative contracts.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

      iv. a. The management has represented that, to the best of its knowledge and belief, to the Consolidated Financial Statements, 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

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

      b. The management has represented, that, to the best of its knowledge and belief, to the Consolidated Financial Statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

         - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
         - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries

      c. Based on such audit procedures as 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 h(iv) (a) & (b) contain any material mis-statement.

      v. The Company has not declared any dividend during the year.

vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. However, the audit trail feature is not enabled for certain direct changes to data when using certain access rights and at the database level for the accounting software, as described in note to the Consolidated Financial Statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software.

For BHANWAR JAIN & CO.,
Chartered Accountants.
Firm Registration No.117340W

(B. M. JAIN)
Proprietor.
M. No. 034943
UDIN :25034943BMLLRG6999

Ahmedabad: 29th May,2025.

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"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 2 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the Consolidated Financial Statements of the Company for the year ended March 31, 2025:

i. In respect of property, plant & equipment:

(a) According to the information and explanation given to us and on the basis of our examination of records of the company, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) According to the information and explanation given to us and on the basis of our examination of records of the company, all property, plant & equipment have been physically verified by the management during the year and there is a regular programme of verification which in our opinion is reasonable having regard to the size of the company and nature of its assets. According to the information and explanation given to us, and on the basis of our audit procedure and detailed in Note 48 to the financial statements, the significant loss or damage to the property, plant and equipments due to major fire incident at factory premises, the company has accounted for the loss and insurance claim in the books of account. The discrepancies arising out of the incident have been appropriately dealt with in the books of account.

(c) According to the information and explanation given to us and on the basis of our examination of records of the company, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

(d) According to the information and explanation given to us and on the basis of our examination of records of the company, the Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.

(e) According to the information and explanation given to us and on the basis of our examination of records of the company, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. In respect of inventories:

(a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at 31st March, 2025 and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations. According to the information and explanation given to us, and on the basis of our audit procedure and detailed in Note 48 to the financial statements, the significant loss or damage to the inventories of own and of customers due to major fire incident at factory premises, the company has accounted for the loss and insurance claim in the books of account. The discrepancies arising out of the incident have been appropriately dealt with in the books of account. The discrepancies noticed on physical verification of inventory have been properly dealt with in the books of account.

(b) According to the information and explanation given to us and on the basis of our examination of records of the company, the Company has been sanctioned working capital limits in excess of five crore rupees in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. As disclosed in note 21 to the Consolidated Financial Statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company.

iii. In respect of investments, guarantee or security or loans and advances given

(a) According to the information and explanation given to us and on the basis of our examination of records of the company, during the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties.

(b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, limited liability partnerships or any other parties except loans provided to its demerged company. The terms and conditions of the grant of loans and advances in the nature of loans to such company are not prima facie prejudicial to the interest of the company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayments or receipts have been regular, wherever applicable.

(d) According to the information and explanation given to us and on the basis of our examination of records of the company, there are no amount of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013 which are overdue for more than ninety days.

(e) According to the information and explanation given to us and on the basis of our examination of records of the company, there is no loan or advance in the nature of loan granted to companies, firms, limited liability partnerships or any other parties falling due during the year, which has been renewed or extended or fresh loan granted to settle the overdue of existing loans given to the same party.

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(f) There were no loans or advance in the nature of loan granted to companies, firms, limited liability partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(g) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

iv. According to the information and explanation given to us and on the basis of our examination of records of the company, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans and advances given, investments made, guarantees, and securities given have been complied with by the company.

v. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi. We have broadly reviewed the maintenance of cost records by the company as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained by the company. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. In respect of statutory dues:

(a) According to the information and explanation given to us and on the basis of our examination of records of the company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, goods and service tax, cess and other statutory dues applicable to it. The provisions related to sales tax, service tax, duty of excise and value added taxes are not applicable to the Company.

(b) According to the information and explanation given to us and on the basis of our examination of records of the company, no undisputed amounts payable in respect of provident fund, employees' state insurance, income- tax, duty of customs, goods and service tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions related to sales tax, service tax, duty of excise and value added taxes are not applicable to the Company.

(c) According to the information and explanation given to us and on the basis of our examination of records of the company, there was no dispute in respect of dues outstanding of provident fund, employees' state insurance, income-tax, duty of custom, goods and service tax, cess and other statutory dues.

(d) According to the information and explanation given to us, the dues of income tax, sales tax, goods & service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute and forum where dispute is pending are as under:

Name of the Statute	Amount involved (₹ In Lakhs)	Forum where dispute is pending
Stamp Duty	132.12	Chief Controlling Revenue Authority, Gandhinagar (Gujarat)

viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix. In respect of default in repayment of borrowings:

(a) According to the information and explanation given to us and on the basis of our examination of records of the company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanation given to us and on the basis of our examination of records of the company, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanation given to us and on the basis of our examination of records of the company, term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the Consolidated Financial Statements of the Company, no funds raised on short term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the Consolidated Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanation given to us and on the basis of our examination of records of the company, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

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x. In respect of funds raised and utilization:

(a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanation given to us and on the basis of our examination of records of the company, the Company has not made any preferential allotment or private placement of shares during the year under audit in accordance with section 42 and 62 of the Companies Act, 2013.

xi. In respect of frauds and whistle blower complaints:

(a) According to the information and explanation given to us and on the basis of our examination of records of the company, no fraud/ material fraud by the Company or no fraud/ material fraud on the Company has been noticed or reported during the year.

(b) According to the information and explanation given to us and on the basis of our examination of records of the company, during the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanation given to us and on the basis of our examination of records of the company, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the Consolidated Financial Statements, as required by the applicable accounting standards.

xiv. Based on the information and explanation provided to us and our audit procedures, the company has an internal audit system in commensurate with the size and nature of its business. We have considered the internal audit reports of the company issued till date for the period under audit.

xv. According to the information and explanation given to us and on the basis of our examination of records of the company, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

xvi. Registration with RBI, Act

(a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

xvii. The Company has not incurred cash loss in the current year and in previous financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

xix. On the basis of the financial ratios disclosed in note 47(8) to the Consolidated Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Consolidated Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. According to the information and explanation given to us and on the basis of our examination of records of the company, there is no obligation under Corporate Social Responsibility of the company during the year hence requirement to report on clause 3(xx) of the Order is not applicable to the Company.

For BHANWAR JAIN & CO.,
Chartered Accountants.
Firm Registration No.117340W

(B. M. JAIN)
Proprietor.
M. No. 034943
UDIN:25034943BMLLRG6999

Ahmedabad: 29th May,2025.

Mahalaxmi Fabric Mills Limited

"Annexure B" to the Independent Auditors' Report on the Consolidated Financial Statements of MAHALAXMI FABRIC MILLS LIMITED.

(Referred to in paragraph 2(A)(f) under "Report on other legal and regulatory requirements" of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 MAHALAXMI FABRIC MILLS LIMITED ("the Company") as of March 31,2025 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for the Internal Financial Controls.

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the Consolidated 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 Ind AS Consolidated 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 Consolidated 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.

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Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company have, 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 ICAI.

For BHANWAR JAIN & CO.,
Chartered Accountants.
Firm Registration No.117340W

(B. M. JAIN)
Proprietor.
M. No. 034943
UDIN:25034943BMLLRG6999

Ahmedabad: 29th May,2025.

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Mahalaxmi Fabric Mills Limited

CONSOLIDATED BALANCE SHEET AS AT 31St MARCH 2025

(Amount in Lakhs, unless otherwise stated)

	Notes	As at 31-Mar-25 ₹	As at 31-Mar-24 ₹
ASSETS			
Non-current assets			
Property, plant and equipment	1	7772.59	8911.92
Capital work-in-progress	2	1880.56	184.66
Intangible assets	3	70.64	110.25
Financial assets			
Investments	4	22.12	12.13
Loans		---	---
Other financial assets	5	60.05	58.66
Other non-current assets	6	2.26	4.03
Total non-current assets		**9808.24**	**9281.64**
Current assets			
Inventories	7	540.54	1556.98
Financial assets			
Investments		---	---
Trade receivables	8	1838.70	3365.94
Cash and cash equivalents	9	133.90	263.00
Bank balances other than cash and cash equivalents	10	1770.24	1655.83
Loans	11	39.80	105.86
Other financial assets	12	4553.21	52.92
Other current assets	13	583.87	565.33
Assets classified as held for sale	14	15.07	15.05
Total current assets		**9475.32**	**7580.91**
TOTAL ASSETS		**19283.56**	**16862.55**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	1062.03	1062.03
Other Equity	16	8723.63	7905.60
Total Equity		**9785.66**	**8967.63**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	1487.17	631.61
Other financial liabilities		---	---
Provisions	18	40.42	60.55
Deferred Tax Liabilities (Net)	19	200.16	64.88
Other non-current liabilities	20	7.10	54.22
Total non-current liabilities		**1734.84**	**811.26**
Current liabilities			
Financial liabilities			
Borrowings	21	2904.44	2949.43
Trade payables	22	3083.41	3799.68
Other financial liabilities	23	1631.02	136.90
Other current liabilities	24	28.33	93.48
Provisions	25	43.92	42.84
Current tax liabilities (net)	26	71.95	61.33
Total current liabilities		**7763.05**	**7083.65**
TOTAL LIABILITIES		**9497.90**	**7894.92**
TOTAL EQUITIES AND LIABILITIES		**19283.56**	**16862.55**

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Summary of significant accounting policies
The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

For BHANWAR JAIN & CO.
Chartered Accountants.
Firm Registration No. : 117340W

Sd/-
(B. M. JAIN)
Proprietor
Membership No. : 034943

AHMEDABAD: 29th May , 2025.

For and on behalf of Board of Directors of Mahalaxmi Fabric Mills Ltd.

Sd/-
Jeetmal B. Parekh
Director
(DIN 00512415)

Sd/-
Anand J. Parekh
Managing Director
(DIN: 00500384)

Sd/-
Rahul J. Parekh
Director
(DIN: 00500328)

Sd/-
Sangita S. Shingi
Director
(DIN 06999605)

Sd/-
Nehal M. Shah
Director
(DIN 00020062)

Sd/-
Indra B. Singhvi
Director
(DIN 07054136)

Sd/-
Rajshree Raol
Chief Financial Officer

Heer Yuvraj Pandya
Company Secretary

AHMEDABAD: 29th May , 2025.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31St MARCH 2025

(Amount in Lakhs, unless otherwise stated)

	Notes	For the year ended 31-Mar-25 ₹	For the year ended 31-Mar-24 ₹
Income			
Revenue from operations	27	15252.99	16644.98
Other income	28	265.99	391.78
Total income		**15518.98**	**17036.77**
Expenses			
Cost of material consumed and Trading Purchase	29	7064.02	7437.74
Changes in inventories of finished goods, stock-in-trade and work-in-progress	30	25.48	-54.79
Manufacturing & Operating Cost	31	6418.90	7274.26
Employee benefits expense	32	754.88	781.42
Finance costs	33	251.31	213.92
Depreciation and amortization expense	1	387.67	448.63
Other expenses	34	844.55	722.31
Total expenses		**15746.82**	**16823.49**
Profit /(Loss) before tax & Exceptional items		-227.84	213.27
Add: Exceptional items(Refer Note No 48)		1284.88	
		1057.04	213.27
Income tax expense			
Current tax		143.75	113.07
Deferred tax		122.22	-42.07
Total income tax expense		**265.97**	**71.00**
Profit/(Loss) for the year		**791.07**	**142.27**
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains/ (losses) on post employment defined benefit plan		41.89	17.14
Income tax effect		-10.54	-4.77
		31.35	12.37
Fair valuation (loss)/gain adjustments on equity instruments designated as FVTOCI		10.00	3.26
Income tax effect		(2.78)	(0.91)
		7.22	**2.36**
Total other comprehensive income for the year		**38.56**	**14.73**
Earnings / (Loss) per share			
Basic earnings /(loss) per share (INR)		7.45	1.34
Diluted earnings /(loss) per share (INR)		7.45	1.34

Summary of significant accounting policies
The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

For BHANWAR JAIN & CO.
Chartered Accountants.
Firm Registration No. : 117340W

Sd/-
(B. M. JAIN)
Proprietor
Membership No. : 034943

AHMEDABAD: 29th May , 2025.

For and on behalf of Board of Directors of Mahalaxmi Fabric Mills Ltd.

Sd/-
Jeetmal B. Parekh
Director
(DIN 00512415)

Sd/-
Anand J. Parekh
Managing Director
(DIN: 00500384)

Sd/-
Rahul J. Parekh
Director
(DIN: 00500328)

Sd/-
Sangita S. Shingi
Director
(DIN 06999605)

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Sd/-
Indra B. Singhvi
Director
(DIN 07054136)

Sd/-
Rajshree Raol
Chief Financial Officer

Heer Yuvraj Pandya
Company Secretary

AHMEDABAD: 29th May , 2025.

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Mahalaxmi Fabric Mills Limited

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2025

(Amount in Lakhs, unless otherwise stated)

		For the year ended 31-Mar-25	For the year ended 31-Mar-24
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Profit before exceptional items and tax	1057.04	213.27
	Adjustments for:		
	Depreciation and amortization expenses	387.67	448.63
	Interest Paid	200.97	188.09
	Interest Received	-139.23	-94.87
	Provision for gratuity	22.83	20.75
	Payment of Gratuity	---	15.88
	Net exchange differences	-83.89	-99.62
	Deferred Revenue Expenses written off	1.26	1.26
	Amortisation of Deferred Income	-25.85	-30.49
	Amortisation of Leasehold Land	0.50	0.50
	(Gain)/ loss on Disposal of fixed assets	-1291.35	-62.51
	Liabilities written back	-2.98	-43.44
	Bad Debts written off	---	0.41
	Provision for Impairment of Fixed Assets	0.08	---
	Provision for Impairment of Receivables	3.05	7.43
	Operating Profit before working capital changes	**130.11**	**565.30**
	Changes in working capital		
	Adjustments for:		
	Decrease in inventories	1016.44	-206.36
	Decrease in trade receivables	1608.08	-95.54
	Decrease in other financial assets	-4287.77	0.99
	Decrease in other current assets	-206.95	-76.10
	Decrease in non-current financial assets	-1.39	1.88
	Decrease in non-current assets	0.50	0.50
	Increase in trade payables	-713.29	340.01
	Increase in other current liabilities	-65.15	78.83
	Increase in non-current liabilities	-21.28	-42.18
	Increase in other financial liabilities	1494.04	17.44
	Cash generated from operations	**-1046.64**	**584.76**
	Net Income tax paid	**-145.00**	**-127.53**
	Net cash flows used in operating activities (A)	**-1191.64**	**457.23**
B.	**CASH FLOW FROM INVESTING ACTIVITIES:**		
	Purchase of property, plant and equipment and intangible assets	-1931.93	-1049.25
	Purchase of Investments	---	---
	Proceeds from sale/ disposal of fixed assets	2318.61	71.02
	Net withdrawal of /Investment in fixed deposits	-114.40	197.03
	Interest Received	139.23	94.87
	Net cash flow from investing activities (B)	**411.50**	**-686.33**
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	Proceeds from long-term borrowings	897.00	213.30
	Increase/Buyback of Share Capital	---	---
	Proceeds from short-term borrowings	-44.99	310.15
	Interest paid	-200.97	-188.09
	Net cash flow from financing activities (C)	**651.03**	**335.35**
	Net increase in cash and cash equivalents (A+B+C)		
	Cash and cash equivalents at the beginning of the year	-129.11	106.25
	On current accounts	263.00	156.76
Cash and cash equivalents at the end of the period		133.90	263.01

Summary of significant accounting policies
The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

For BHANWAR JAIN & CO.
Chartered Accountants.
Firm Registration No. : 117340W

Sd/-
(B. M. JAIN)
Proprietor
Membership No. : 034943

AHMEDABAD: 29th May , 2025.

For and on behalf of Board of Directors of Mahalaxmi Fabric Mills Ltd.

Sd/-
Jeetmal B. Parekh
Director
(DIN 00512415)

Sd/-
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Rajshree Raol
Chief Financial Officer

Heer Yuvraj Pandya
Company Secretary

AHMEDABAD: 29th May , 2025.

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED ON 31ST MARCH, 2025

(Amount in Lakhs, unless otherwise stated)

	Equity Share Capital	Reserve and surplus				Total
		Securities Premium	Retained earnings	Equity Instruments through OCI	Other Comprehensive Income	
Balance as at April 1, 2023	1062.03	7669.71	57.70	---	45.27	8834.71
Profit for the year			142.27			142.27
Other comprehensive income						
Re-measurement gains/ (Losses) on post						
employment defined benefit plans (Net of tax)					12.37	12.37
Fair Valuation of Investments measured at						
FVTOCI(Net of tax)				3.26		3.26
Less: Buyback during the year						
Add:Income tax of earlier years		---	-24.99			-24.99
Add: Income tax on Buy Back of Shares						
Balance as at 31 March, 2024	**1062.03**	**7669.72**	**174.98**	**3.26**	**57.64**	**8967.63**
Balance as at 01 April, 2024						
FVTOCI(Net of tax)	1062.03	7669.72	174.98	3.26	57.64	8967.62
Profit for the year			791.07			791.07
Other comprehensive income						
Re-measurement gains/ (Losses) on post						
employment defined benefit plans (Net of tax)						31.35
Fair Valuation of Investments measured at			0.00			
FVTOCI(Net of tax)				7.48		7.48
Add:Income tax of earlier years			-11.87			-11.87
Balance as at 31 March, 2025	**1062.03**	**7669.72**	**954.18**	**10.74**	**88.99**	**9785.66**

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Summary of significant accounting policies
The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

For BHANWAR JAIN & CO.
Chartered Accountants.
Firm Registration No. : 117340W

Sd/-
(B. M. JAIN)
Proprietor
Membership No. : 034943

AHMEDABAD: 29th May , 2025.

For and on behalf of Board of Directors of Mahalaxmi Fabric Mills Ltd.

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Jeetmal B. Parekh
Director
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Sd/-
Rajshree Raol
Chief Financial Officer

Heer Yuvraj Pandya
Company Secretary

AHMEDABAD: 29th May , 2025.

MAHALAXMI FABRIC MILLS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THEW YEAR ENDED 31 MARCH 2025

1 Property, plant and equipment

Tangible Assets

(Amount in Lakhs, unless otherwise stated)

A. Gross Carrying Amounts	Freehold Land	Building	Plant & Machinery	Electric Installation	Furniture Fixtures	Office Equipments	Vehicles	Total
Year ended March 31, 2024								
Gross carrying amount	-	-	-	-	-		-	-
Balance as at April 1, 2023	6274.19	891.30	5652.79	66.47	115.26	55.73	87.66	13143.42
Additions	---	---	835.45	---	---	13.49	1.37	850.31
Disposals	---	---	61.00	---	---	---	0.91	61.91
Classified as held for sale	---	---	---	---	---	---	---	---
Balance As at 31 Mar, 2024	**6274.19**	**891.30**	**6427.24**	**66.47**	**115.26**	**69.23**	**88.13**	**13932.82**
Year ended March 31, 2025								
Additions	---	61.88	115.60	6.13	0.56	5.10	46.74	236.02
Disposals	---	306.78	2181.61	---	15.76	22.40	38.14	2564.69
Classified as held for sale	---	---	0.45	---	---	---	---	0.45
Other Adjustments	---	---	---	---	---	---	---	0.00
Balance As at 31 March, 2025	**6274.19**	**646.40**	**4360.78**	**72.60**	**100.07**	**51.93**	**96.73**	**11603.70**

B. Accumulated Depreciation/Amortisation	Freehold Land	Building	Plant & Machinery	Electric Installation	Furniture Fixtures	Office Equipments	Vehicles	Total
Balance as at April 1, 2023	---	274.25	4237.94	26.71	30.68	36.54	63.57	4669.69
Additions	---	---	---	---	---	---	---	---
Depreciation For the Year	---	28.22	357.05	3.94	8.71	6.91	4.20	409.02
Deductions / Adjustments	---	---	57.95	---	---	---	0.86	58.81
Classified as held for sale	---	---	---	---	---	---	-	---
Balance as at March 31,2024	**----**	**302.47**	**4537.04**	**30.65**	**39.39**	**43.44**	**66.91**	**5019.90**
Year ended March 31, 2025								
Depreciation For the Year	---	36.05	287.92	3.99	8.67	5.81	5.61	348.06
Deductions / Adjustments	---	110.42	1364.54	---	7.05	19.19	36.23	1537.43
Classified as held for sale			0.43			---		
Balance As at 31 March, 2025		**228.11**	**3459.99**	**34.64**	**41.02**	**30.07**	**36.29**	**3830.54**
Net Carrying Amount								
As at 31.03.2024	6274.19	588.83	1890.20	35.82	75.87	25.78	21.22	8911.92
As at 31.03.2025	6274.19	418.29	900.79	37.96	59.05	21.86	60.45	7772.59

2 Capital Work in Progress

(Amount in Lakhs, unless otherwise stated)

Particular	Amount in Capital Work in Progress as at 31.03.2025				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1880.56	---	---	---	1880.56
Projects temporarily suspended	---	---	---	---	---

Particular	Amount in Capital Work in Progress as at 31.03.2024				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	184.66	---	---	---	184.66
Projects temporarily suspended	---	---	---	---	---

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3 Intangible assets (Amount in Lakhs, unless otherwise stated)

	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As at 01.04.2024	Additions	Deductions	As at 31.03.2025	As at 01.04.2024	For the year	Deductions/ Adjustments	Other Adjustemnts	As at 31.03.2025	As at 31.03.2025	As at 31.03.2024
Commercial Right-ETP Pipeline	396.13	---	---	396.13	285.88	39.61	---	---	325.49	70.64	110.25
Total	**396.13**	**0.00**	**0.00**	**396.13**	**285.88**	**39.61**	**0.00**	**0.00**	**325.49**	**70.64**	**110.25**

Intangible assets (Amount in Lakhs, unless otherwise stated)

	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As at 01.04.2023	Additions	Deductions	As at 31.03.2024	As at 01.04.2023	For the year	Deductions/ Adjustments	Other Adjustemnts	As at 31.03.2024	As at 31.03.2024	As at 31.03.2023
Commercial Right-ETP Pipeline	412.63	0.00	16.51	396.13	257.35	39.61	0.00	11.09	285.88	110.25	155.28
Total	**412.63**	**0.00**	**16.51**	**396.13**	**257.35**	**39.61**	**0.00**	**11.09**	**285.88**	**110.25**	**155.28**

4 Financial Assets- Investments

(As valued , verified & certified by the management) (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Financial Assets carried at cost		
Investment in equity instrument designated as at fair value through OCI		
1 Investment in Associates (Unquoted - Non Trade)		
Investment in Equity Instruments	21.92	11.93
225(225) Shares of Anand Chem Industries Pvt Ltd Of Rs 1000/- Each		
2 Investment in others (Unquoted-Trade)		
Investment in Equity Instruments		
200 (200) Shares of Social Co-op Bank Ltd of ₹100	0.20	0.20
TOTAL	**22.12**	**12.13**

The details of aggregate of quoted and unquoted investment:

Particulars	Book Value (In ₹)		Market Value (In ₹)	
	As at 31.03.2025	As at 31.03.2024	As at 31.03.2025	As at 31.03.2024
Aggregate Quoted Investment	----	----	----	----
Aggregate Unquoted Investment	22.12	12.13	----	----

5 Non-Current Financial assets - Others

(Unsecured and considered good) (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Margin Money with Banks	3.28	2.23
Security Deposits	56.77	56.43
Total	**60.05**	**58.66**

6 Other non-current assets (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Non Financial Assets (Unsecured and considered good)		
Capital advance	0.00	0.00
Preliminary Expenses (To the Extent not written off)	1.26	2.53
Deferred Empolyee Cost	---	---
Leasehold Land	1.00	1.50
Total	**2.26**	**4.03**

Mahalaxmi Fabric Mills Limited

7 Inventories

(As verified, valued & certified by management) (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Raw Materials	275.58	1102.38
Finished Goods	57.13	55.10
Semi-finished Goods	107.18	90.55
Fents & Rags	27.61	71.74
Stores, Spares, Coal, Packing & Design Materials	73.04	237.20
Total	**540.54**	**1556.98**

8 Trade receivable (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
(a) Trade Receivables considered Good -Secured	---	---
(b) Trade Receivables considered Good -Unsecured	1750.16	3064.92
(c) Trade Receivables which have significant increase in credit risk	---	---
(d) Trade Receivables credit impaired	---	---
	1750.16	3064.92
Less:- Provision for Doubtful Trade receivables	10.47	7.43
Total Trade Receivables (Billed)	1739.68	3057.49
Trade Receivable-Unbilled	99.02	308.45
Total Trade Receivables	**1838.70**	**3365.94**

Trade Receivables Ageing Schedule:

Particulars	Outstanding for following periods as at 31.03.2025					
	Less than 6 months year	6 months to 1Year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables –considered good	1570.32	169.36	---	---	---	1739.68
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	---	3.01	2.78	2.29	2.39	10.47
(iii) Undisputed Trade receivables – Credit Impaired	---	---	---	---	---	---
(iv) Disputed Trade Receivables considered doubtful	---	---	---	---	---	---
(v) Disputed Trade Receivables – which have significant increase in credit risk	---	---	---	---	---	---
(vi) Disputed Trade receivables – Credit Impaired	---	---	---	---	---	---

Particulars	Outstanding for following periods as at 31.03.2024					
	Less than 6 months year	6 months to 1Year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables –considered good	2885.08	172.41	---	---	---	3057.49
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	---	2.78	2.29	2.36	---	7.43
(iii) Undisputed Trade receivables – Credit Impaired	---	---	---	---	---	---
(iv) Disputed Trade Receivables considered doubtful	---	---	---	---	---	---
(v) Disputed Trade Receivables – which have significant increase in credit risk	---	---	---	---	---	---
(vi) Disputed Trade receivables – Credit Impaired	---	---	---	---	---	---

9 Cash and cash equivalents (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Balances with banks		
On current accounts	62.03	83.86
In Fixed deposit with maturity for less than 3 months	68.90	176.09
Cash on hand	2.96	3.05
Total cash and cash equivalents	**133.90**	**263.00**

10 Bank balances other than Cash and cash equivalent (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
In Fixed deposit with maturity for more than 3 months but less than 12 months from balance sheet date	1770.24	1655.83
Balances with Banks held as margin money	---	---
In Fixed deposit with maturity more than 12 months	---	---
Earmarked Balance with banks (pertaining to dividend accounts with banks)	---	---
Total	**1770.24**	**1655.83**

11 Current Financial assets - Loans (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Unsecured, considered good		
To Subsidiary Companies	0.30	105.86
Others	39.50	---
Total	**39.80**	**105.86**

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12 Current Financial assets - Others (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Interest Receivable under TUFS	0.00	0.81
Export Benefit Receivable	83.45	6.51
Insurance Claim Receivables	4377	---
Accrued Income	93.09	45.59
Total	**4553.21**	**52.92**

13 Other current assets (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Prepaid Expenses	90.88	45.94
Deposit	2.48	1.25
Advance to employees	11.05	7.30
Balance with Statutory Authorities	312.90	258.73
Leasehold Land	0.50	0.50
Others	166.06	251.61
Total	**583.87**	**565.33**

Mahalaxmi Fabric Mills Limited

14 Assets classified as held for sale (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Plant & Machinery	15.07	15.05
Total	**15.07**	**15.05**

15 Equity Share Capital (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Authorized		
110000000 (110000000) Equity Shares of ₹10 each	1100.00	1100.00
	1100.00	**1100.00**
Issued, subscribed and paid up		
10620275 (10620275) Equity Shares of ₹10 each fully paid allotment pending(Refer note no 50)	1062.03	1062.03
Total	**1062.03**	**1062.03**

(a) Reconciliation of equity Shares outstanding at the beginning and at the end of the year

	As at 31.03.2025		As at 31.03.2024	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the beginning of the year	10620275	1062.03	10620275.00	1062.03
Add:Issue during the year	--	--	--	--
Less: Cancel during the year	--	--	--	--
Outstanding at the end of the year	10620275	1062.03	10620275.00	1062.03

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(b) Rights, preferences and restrictions attached to Shares

The Company has only one class of Equity Shares having a par value of ₹ 10/- per share. Each of holder of Equity Share is entitled to one Vote per Share. The Company declares and pays Dividend in Indian Rupees. The Dividend proposed by the Board of Director is subject to approval of Shareholder in AGM. In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company , after distribution of all preferential amounts, in proportion of their Shareholding. However, no such preferential amounts exist currently.

(c) Details of Shares held by Shareholders holding more than 5% of the aggregate Shares in the Company

Name of the Shareholder	As at 31 March 2025		As at 31 March 2024	
	Number of Shares	% of holding in the class	Number of Shares	% of holding in the class
Jeetmal B. Parekh	1289513	12.14%	1289513	12.14%
Rahul J. Parekh	1837710	17.30%	1837710	17.30%
Kamlaben J. Parekh	545000	5.13%	545000	5.13%
Anand J. Parekh	1705676	16.06%	1705676	16.06%

(d) The movement of Equity Shares during 5 years preceding to year ended March 31, 2025

	31-03-2025	31-03-2024
Equity shares movement during 5 years preceding March 31, 2024		
1. No. of Equity Shares alloted as fully paid-up without payment being received in cash	Nil	Nil
2. No. of Equity Shares issued as bonus shares	Nil	Nil
3. No. of Equity shares extinguished on buy-back	Nil	Nil

(e) Details of Shareholding of Promoters at the end of the year as follows :

S. No	Shares held by promoters at the end of the year	Equity Shares held by promoterqs at the end of March 31, 2025		Equity Shares held by promoters at the end of March 31, 2024		% Change during the year
	Promoter name	No. of Shares (in Lakhs)	%of total Shares	No. of Shares (in Lakhs)	% of total Shares	
1	Rahul Jeetmal Parekh	1837710	17.30	1837710	17.30	0.00
2	Anand Jeetmal Parekh	1705676	16.06	1705676	16.06	0.00
3	Jeetmal Bhoorchand Parekh	1289513	12.14	1289513	12.14	0.00
4	Kamladevi Jeetmal Parekh	545000	5.13	545000	5.13	0.00
5	Amita Anand Parekh	---	---	---	---	---
6	Ratna Rahul Parekh	256535	2.42	256535	2.42	0.00
7	Jeetmal Bhoorchand (HUF)	129934	1.22	129934	1.22	0.00
8	Mamta Atulkumar Jain	---	0.00	---	0.00	0.00
9	Jeetmal Rahulkumar (HUF)	67026	0.63	67026	0.63	0.00
10	Yashovardhan Rahul Parekh	61596	0.58	61596	0.58	0.00
11	Rohan Anand Parekh	416260	3.92	416260	3.92	0.00
12	Jeetmal Prithviraj Parekh (HUF)	10250	0.10	10250	0.10	0.00
13	Atul Jain	2000	0.02	2000	0.02	0.00
14	Rahul Calchem Pvt Ltd	206094	1.94	206094	1.94	0.00
15	Mahalaxmi Calchem Private Limited	168196	1.58	168196	1.58	0.00
16	Anand Chem Industries Pvt Ltd	94195	0.89	94195	0.89	0.00
17	Heena Agriculture Private Limited	68344	0.64	68344	0.64	0.00
18	Sonnet Colours Pvt Ltd	---	0.00	---	0.00	0.00
19	Ashita Mercantile Private Limited	23862	0.22	23862	0.22	0.00
	Total	**6882191**	**64.80**	**6882191**	**64.80**	**0.00**

16 Other Equity

(Amount in Lakhs, unless otherwise stated)

		As at 31 March 2025	As at 31 March 2024
(a)	**Securities premium reserve**		
	Opening balance	7669.71	7669.71
	Add : Received during the year	---	---
	Closing balance	**7669.71**	**7669.71**
(b)	**Retained Earnings**		
	Opening balance	174.98	57.70
	Add: Net profit for the year	791.07	142.27
	Less: Income Tax of eariler years	-11.87	-25.00
	Closing balance	**954.18**	**174.98**
(c)	**Equity Instruments through OCI**		
	Opening Balance	3.26	---
	For The Year (net of Tax)	7.48	3.26
	Closing balance	**10.74**	**3.26**
(d)	**Other items of Other Comprehensive Income**		
	Opening balance	57.64	45.27
	Re-measurement gain/(loss) on defined benefit plans (net of tax)	31.35	12.37
	Closing balance	**88.99**	**57.64**
(e)	**Money Received against Share Warrants**		
	Opening balance	---	---
	Less: Utilized during the year	---	---
		---	**---**
Total Other Equity		**8723.63**	**7905.60**

Mahalaxmi Fabric Mills Limited

Notes

The description of the nature and purpose of each reserve within equity is as follows:-

1 Securities Premium Reserve:-

Securities Premium Reserve is created due to premium on issue of Shares. These Reserve has been utilised in Buyback of Equity Shares of the Company, in accordance with the provisions of the Companies Act, 2013.

2 General Reserve:-

General Reserve is a free Reserve created by the Company by transfer from profits of the Company for appropriation purposes.

3 Capital Reserve:-

Capital Reserve is the Reserve created for Capital Subsidy received by the Company from State Government Authority .

4 Equity Instrument through OCI:-

The Company has elected to recognise changes in the fair value of certain investment in equity instrument in other comprehensive income. This amount will be reclassified to retained earnings on derecognition of equity instrument.

5 Other Items of other Comprehensive Income:-

The Acturial Gain (net of tax) on defined benefit plan due to Change in Demographic Assumptions,Financial Assumption and Experience has been recognised in other Comprehensive Income.

17 Non-Current Borrowings (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Secured		
Term Loans		
From Banks	1377.17	613.66
From Others		
Total (A)	**1377.17**	**613.66**
Unsecured		
Loan from Related Parties(Refer note No 43)	110.00	12.95
Other Loans	---	5.00
Total (B)	**110.00**	**17.95**
TOTAL (A+B)	**1487.17**	**631.61**

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18 Provisions (Non Current) (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Provision for Gratuity	40.42	60.55
Total	**40.42**	**60.55**

19 Deferred Tax Liabilities (Net) (Amount in Lakhs, unless otherwise stated)

		As at 31 March 2025	As at 31 March 2024
Deferred Tax Liability			
(a)	Fixed Assets: Impact of difference between tax depreciation and depreciation charges to financial reporting.	369.88	140.87
(b)	Fair Valuation Gain on Investments	4.16	1.64
	Deferred Tax Asset:		
(c)	Employees retirement benefits charged to statement of profit & loss but allowed for tax on payment basis.	21.22	28.76
(d)	Unabsorbed Loss	179.59	65.26
(e)	Remeasurements of defined benefit plans	-26.93	-16.39
Deferred Tax Liabilities (Net)		**200.16**	**64.88**

20 Other Non- current Liabilities (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Deferred Income for Capital Subsidy	7.10	25.26
Deferred Income for EPCG Liabilty	0.00	7.69
Others	0.00	21.28
	7.10	**54.22**

21 Short -Term Borrowings (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Current Maturities of long term debts	201.57	188.00
Working Capital Loans from Banks		
Secured		
Cash Credit	760.80	562.92
Foreign Bills Purchase	1130.65	1541.41
Overdraft	697.20	499.28
Export Packing Credit	114.23	157.82
Vehicle Loan	0.00	0.00
Total short-term borrowings	**2904.44**	**2949.43**

Note

1 Cash Credit, Foreign Bills Purchase and Export packing Credit facilities are secured by way of hypothecation of stock, book debts, plant & machineries & other movables and equitable mortgage of land and buildings and further secured by personal guarantee of promoter directors and overdraft is secured by way of pledge of fixed deposit receipts of the company.

2 Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

Value Research

22 Trade Payables (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Trade Payables		
Payable to Related Parties (Refer Note No.43)	816.31	754.20
Payable to Others	2267.10	3045.48
Total Trade Payables	**3083.41**	**3799.68**

Trade Payble Ageing Schedule

Particulars	Outstanding as on 31.03.2025 for following periods from date of Invoice due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME(Refer Note no 41)	60.69	---	---	---	60.69
(ii) Others	2583.04	383.47	56.21	---	3022.72
(iii) Disputed dues – MSME	---	---	---	---	---
(iv) Disputed dues - Others	---	---	---	---	---
Total	**2643.73**	**383.47**	**56.21**	**0.00**	**3083.41**

Particulars	Outstanding as on 31.03.2024 for following periods from date of Invoice due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME(Refer Note no 41)	424.54	---	---	---	424.54
(ii) Others	3315.46	16.77	18.07	24.83	3375.14
(iii) Disputed dues – MSME	---	---	---	---	---
(iv) Disputed dues - Others	---	---	---	---	---
Total	**3740.01**	**16.77**	**18.07**	**24.83**	**3799.68**

Mahalaxmi Fabric Mills Limited

23 Other financial liabilities (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Salary & Wages Payable	26.62	40.40
Provision for impairment of Assets	0.26	0.18
Other Liabilites	1301.99	---
Other Payables	302.14	96.31
	1631.02	**136.90**

24 Other current liabilities (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Advances from Customers	0.43	84.79
Outstanding Expense	7.90	0.00
Security Deposit	---	---
Statutory Duties & Taxes	20.00	8.69
	28.33	**93.48**

25 Short Term Provisions (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Provision For Gratuity	43.92	42.84
	43.92	**42.84**

26 Current tax liabilities (net) (Amount in Lakhs, unless otherwise stated)

	As at 31 March 2025	As at 31 March 2024
Opening Balance	61.33	58.32
Current Tax Provision for the year	143.75	113.07
Less: Advance Tax paid (including TDS & TCS)	133.13	110.06
	71.95	**61.33**

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27 Revenue from operations (Amount in Lakhs, unless otherwise stated)

	For the year ended 31.03.2025	For the year ended 31.03.2024
Sale of products and services	9739.10	9312.01
Job Work Charges	4675.19	6540.81
Other Operating revenue		
Export Entitlement Benefits	838.70	792.17
Total revenue from operations	**15252.99**	**16644.98**

28 Other income

(Amount in Lakhs, unless otherwise stated)

	For the year ended 31.03.2025	For the year ended 31.03.2024
Exchange Rate Fluctuation	83.89	99.62
Sale of Scrap	0.33	0.00
Interest Received	139.23	118.22
Dividend Received	---	---
Insurance Claim	0.71	
Liability Written Back	2.98	46.80
Vatav Kasar	1.58	28.02
Profit on Sale/disposal of Fixed Assets	8.84	62.57
Amortisation of Deferred Income under EPCG Scheme	7.69	8.66
Amortisation of Deferred Income (Capital Subsidy)	18.16	21.83
Service Tax Refund	---	0.41
Solar Genertion	---	---
Rent Income	2.58	5.66
Claims	---	---
Prior Period Income	---	---
Grey return Charges	---	---
	265.99	**391.78**

29 Cost of raw material consumed and trading purchase

(Amount in Lakhs, unless otherwise stated)

	For the year ended 31.03.2025	For the year ended 31.03.2024
Raw Material Consumed:		
Opening Stock	1102.38	983.91
Add: Purchases	6772.45	7556.22
Less: Loss of stock due to Fire	535.23	
Less: Closing Stock	275.58	1102.38
	7064.02	**7437.74**

Value Research

30 Changes in inventories

(Amount in Lakhs, unless otherwise stated)

	For the year ended 31.03.2025	For the year ended 31.03.2024
Inventories at the beginning of the year		
Finished Goods	55.10	0.00
Semi Finished Goods	90.55	84.65
Fents & Rags	71.74	77.96
	217.39	**162.61**
Less: Inventories at the end of the year		
Finished Goods	57.13	55.10
Semi Finished Goods	107.18	90.55
Fents & Rags	27.61	71.74
	191.91	**217.39**
Net decrease/ (increase)	**25.48**	**-54.79**

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31 Manufacturing & Operating Cost

(Amount in Lakhs, unless otherwise stated)

	For the year ended 31.03.2025	For the year ended 31.03.2024
Stores,Spares & Maintenance Expenses	384.82	433.48
Job Charges Paid	2212.98	2232.52
Design Expenses	65.47	102.97
Power & Fuel Expenses	2038.78	2771.40
Processing Charges	719.61	920.21
Laboratory Expenses	13.86	25.43
Freight, Clearing & Forwarding Expenses	110.05	67.54
Pollution Control Expenses	165.84	239.90
Stitching Materials Purchase & Expenses	---	0.00
Packing Materials Expenses	707.49	480.82
	6418.90	**7274.26**

32 Employee benefits expense

(Amount in Lakhs, unless otherwise stated)

	For the year ended 31.03.2025	For the year ended 31.03.2024
Salaries, wages, bonus and other allowances	687.37	698.74
Gratuity	17.77	18.04
Contribution to Provident Fund and ESI	37.54	51.79
Employees' Welfare Expenses	12.20	12.84
	754.88	**781.42**

33 Finance costs

(Amount in Lakhs, unless otherwise stated)

	For the year ended 31.03.2025	For the year ended 31.03.2024
Interest (Net)	200.97	188.09
Bank Commission & Charges	50.34	25.83
Total	**251.31**	**213.92**

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34 Other expenses

(Amount in Lakhs, unless otherwise stated)

	For the year ended 31.03.2025	For the year ended 31.03.2024
E.C.G.C. Premium	25.13	33.52
Telecommunication Expenses	3.35	3.42
General Expenses	3.23	2.04
Insurance Premium	32.15	19.51
Advertisement Expenses	7.23	0.00
Audit Fees	3.25	2.75
Corporate Social Responsibility Expenses	---	---
Car Expenses	2.51	4.26
Packing Materials Expenses	52.80	71.90
Legal & Consulting Expenses	68.37	58.97
Postage & Courier Expenses	17.34	15.15
Rent, Rates and Taxes	19.83	9.32
Loss on Sale of Fixed Assets	2.37	0.06
Bus & Truck Expenses	---	---
Miscellaneous Expenses	88.84	86.35
Amortisation of Leasehold Land	0.50	0.50

(Amount in Lakhs, unless otherwise stated)

	For the year ended 31.03.2025	For the year ended 31.03.2024
Export Freight	58.02	59.16
Commission Expenses	262.38	209.23
Factory Expenses	0.24	0.27
Bad Debts written off	0.00	0.41
Printing & Stationery Expenses	11.05	9.72
Provision for impairment of Assets	0.08	---
Provision for impairment of Debtors	3.05	---
Exhibition Expenses	0.00	24.96
Travelling Expense	56.67	109.24
Subscription Expense	---	1.56
Business Promotion	126.16	---
	844.55	**722.31**

35 *Note : The following is the break-up of Auditors remuneration

(Amount in Lakhs, unless otherwise stated)

	For the year ended 31.03.2025	For the year ended 31.03.2024
Statutory Audit Fee	3.25	2.75
For Others (Reports, Certificates, etc.)	2.64	0.73
Total	**5.89**	**3.48**

36 (a) Financial Instruments by Category

(a) The carrying values and fair values of financial instruments at the end of each reporting periods is as follows:

	As at 31 Mar, 2025		As at 31 Mar, 2024	
	At FVTOCI	Amortised Cost	At FVTOCI	Amortised Cost
Assets:				
Investments (Non Current)	22.12		12.13	
Other Financial Non- current assets		60.05		58.66
Trade Receivables		1838.70		3365.94
Cash & Cash Equivalents		133.90		263.00
Other Bank Balance		1770.24		1655.83
Loan		39.80		105.86
Other Financial current assets		4553.21		52.92
Total	**22.12**	**8395.89**	**12.13**	**5502.21**
Liabilities:				
Borrowings		1487.17		631.61
Borrowings (Current)		2904.44		2949.43
Trade Payables		3083.41		3799.68
Other Financial Liabilities (Current)		1631.02		136.90
Total		**9106.03**		**7517.62**

(b) Fair Value Measurement

(i) Fair Value hierarchy

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

Level 2- Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3- Input for the assets or liabilities that are not based on observable market data (unobservable inputs)

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(ii) The following table presents fair value hierarchy of assets and liabilities measured at fair value:

Particulars	Fair Value	Fair value measurement using		
		Level 1	Level 2	Level 3
Long terms Investments				
As at 31 Mar, 2025				
Fair values through OCI	22.12	---	22.12	---
As at 31 Mar, 2024				
Fair values through OCI	12.13	---	12.13	---

37 The details of Contingent Liabilities and Commitments (to the extent not provided for):

(Amt. in Lakhs, Unless otherwise stated)

Particulars			As at 31 March 2025	As at 31 March 2024
A	**Contingent Liabilities:**			
	1	Outstanding Bank Guarantee	2.75	---
	2	Corporate Gurantee to the bankers on Behalf of Subsidiaries for facilities availed by them	3750.00	---
	3	Employees' cases pending before labour courts In other cases of Employees' pending before labour courts, the liability is indeterminate The company has been advised that the demand is likely to be either deleted or substantially reduced and accordingly no provision is considered necessary.	27.26	19.49
	4	Demand of Stamp Duty in relation to Demerger, not acknowledge by the company	132.12	---

38 Amortisation of Intangible assets

Commercial Right to use effluent treatment pipeline and CETP has been amortised @ 10% on straight line basis as the useful life thereof has been estimated to be not more than 10 years.

39 Based on review carried out as on 31.03.2025, no impairment loss is required to be provided for as per Indian Accounting Standard 36 on "Impairment of Assets".

40 Calculation of Earning per Share

(Amt. in Lakhs, Unless otherwise stated)

Earning per Share		AS AT March 31, 2025	AS AT March 31, 2024
Net Profit after Tax	₹	791.07	142.27
Nominal Value of equity share	₹	10.00	10.00
Weighted average number of equity Shares	Nos.		
- for Basic EPS		10620275	10620275
- for Diluted EPS		10620275	10620275
Basic EPS	₹	7.45	1.34
Diluted EPS	₹	7.45	1.34

41 The information required to be disclosed under the MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company regarding the status of suppliers as defined under the said Act. The disclosure in respect of amounts payable to Micro and Small Enterprises as at the reporting date are based on the information available with the Company regarding the status of its vendors under the MSMED Act, 2006. Only those parties have been considered as micro and small manufacturing /service enterprises(MSE) who have registered themselves as such and have communicated their MSE status to the Company along with requisit documentation. However, in the considdered view of Management and as relied upon by the auditors, impact of interest, if any that may be payable in accordance with the provisions of this Act is not expected to be material.

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42 Related Party Transactions:

As per Indian Accounting Standard 24, Related Party Disclosure is as under:

(a) List of Related Parties with whom transactions have taken place during the year and relationship:

Name of the Related Party	Relationship
Globale Tessile Limited	Associate
Mahalaxmi Rubtech Ltd.	Associate
Mahalaxmi Cal Chem Pvt. Ltd	Associate
Anand Chem Industries Pvt. Ltd.	Associate
Mahalaxmi Exports	Associate
Rahul Textile	Associate
Rajshree Raol	Key Managerial Personnel
Naresh Kanzariya	Key Managerial Personnel
Heer Pandya	Key Managerial Personnel
Jeetmal B Parekh	Key Managerial Personnel
Rahul J Parekh	Key Managerial Personnel
Anand J parekh	Key Managerial Personnel

Transactions during the year ended March 31,2025 with Related Parties:

(Amount in Lakhs, unless otherwise stated)

Nature of Transaction	Associate	Key Managerial	Relative of KMP
Rent paid			
Rahul Textile	1.17	---	---
	1.17	**---**	**---**
Rent Received			
Globale Tessile Limited	0.60	---	---
Mahalaxmi Exports	0.60	---	---
	1.20	**---**	**---**
Salary Paid			
Anand Jeetmal Parekh(Including Perquisites)	---	22.87	---
Rajshree Raol	---	10.94	---
Naresh Kanzariya	---	1.28	---
Heer Yuvraj Pandya	---	1.41	---
	---	**36.50**	**---**
Purchase			
Globale Tessile Limited	4.06	---	---
Mahalaxmi Rubtech Ltd.	24.87	---	---
Anand Chem Ind. P. Ltd.	213.20	---	---
Mahalaxmi Exports	87.93	---	---
	330.06	**---**	**---**
Sales			
Mahalaxmi Exports	378.55	---	---
	378.55	**---**	**---**
Job charges Received			
Mahalaxmi Exports	652.41	---	---
Globale Tessile Limited	1450.88	---	---
	2103.29	**---**	**---**
Claim againts Damages			
Mahalaxmi Exports	228.05		
Globale Tessile Limited	296.73	---	---
	296.73	**---**	**---**
Loan Taken			
Anand J Parekh	---	60.00	---
	---	**60.00**	**---**

Mahalaxmi Fabric Mills Limited

(Amount in Lakhs, unless otherwise stated)

Nature of Transaction	Associate	Key Managerial	Relative of KMP
Outstandings			
Payables			
Anand Chem Industries Pvt. Ltd.	1.00	---	---
Mahalaxmi Rubtech Limited	603.77	---	---
	604.77	**---**	**---**
Claim againts Damages			
Mahalaxmi Exports	228.05		
Globale Tessile Limited	296.73	---	---
	296.73	**---**	**---**
Receivables			
Mahalaxmi Exports	83.41	---	---
Mahalaxmi Rubtech Ltd	---	---	---
Globale Tessile Limited	335.62	---	---
	419.03	**---**	**---**
Loan Taken			
Anand J Parekh	---	60.00	---
	---	**60.00**	**---**
Investments (Unquoted)			
Closing Balance			
Anand Chem Ind. P. Ltd.	21.92	---	---
	21.92	**---**	**---**

(b) Transactions during the year ended March 31,2024 with Related Parties:

(Amount in Lakhs, unless otherwise stated)

Nature of Transaction	Associate	Key Managerial	Relative of KMP
Rent paid			
Rahul Textile	1.08	---	---
	1.08	**---**	
Rent Received			
Globale Tessile Private Limited	3.60	---	---
Mahalaxmi Exports	0.60	---	---
	4.20	**---**	**---**
Purchase			
Globale Tessile Limited	4.06	---	---
Mahalaxmi Cal Chem P Ltd.	0.18	---	---
Anand Chem Ind. P. Ltd.	256.88	---	---
Mahalaxmi Exports	38.39	---	---
	299.51	**---**	
Job charges Paid			
Mahalaxmi Exports Pvt. Ltd.	---	---	24.30
	---	**---**	**24.30**
Sales			
Mahalaxmi Exports	38.66	---	---
	38.66	**---**	
Job charges Received			
Mahalaxmi Exports	460.49	---	---
Globale Tessile Pvt. Ltd.	1450.89	---	---
	1911.37	**---**	**---**
Outstandings			---
Payables			
Globale Tessile Pvt. Ltd.	175.50	---	---
Anand Chem Industries Pvt. Ltd.	0.00	---	---
	175.50	**---**	
Receivables			
Mahalaxmi Exports	75.50	---	---
Globale Tessile Pvt. Ltd.	0.00	---	---
	75.50	**---**	**---**

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(Amount in Lakhs, unless otherwise stated)

Nature of Transaction	Associate	Key Managerial	Relative of KMP
Loan Taken			
Jeetmal B Parekh	---	12.65	---
	0.00	**12.65**	**---**
Outstandings			
Payables			
Anand Chem Industries Pvt. Ltd.	28.44	---	---
	28.44	**---**	**---**
Receivables			
Mahalaxmi Exports	262.46	---	---
Mahalaxmi Rubtech Ltd	177.82	---	---
Globale Tessile Limited	768.72	---	---
Mahalaxmi Exports Pvt. Ltd.	---	---	---
	1208.99	**---**	**---**
Advance given			
Mahalaxmi Rubtech Lmited	100.00	---	---
	100.00	**---**	**---**
Loan Taken			
Rahul J Parekh	---	0.20	---
Jeetmal B Parekh	---	12.75	---
	---	**12.95**	**---**
Investments (Unquoted)			
Closing Balance			
Anand Chem Ind. P. Ltd.	11.93	---	---
Mahalaxmi Exports Pvt. Ltd.	---	---	---
	11.93	**---**	**---**

Value Research

43 Derivatives Instruments:

(a) Derivatives outstanding as at the Balance Sheet Date:

(Amount in Lakhs, unless otherwise stated)

Currency	Exposure to Buy / Sell	No. of Contracts	As at the year ended	
			₹ Lacs	Foreign Currency
USD	SELL	---	---	---
	SELL	---	---	---

(b) Foreign currency exposure at the year end not hedged by derivative instruments:

Particulars	As at 31-03-2025	As at 31-03-2024
Payable against import of goods & services		
Rupees in Lakhs	---	71.46
US Dollar	---	85679
GBP	---	---
CHF	---	---
Euro	---	---
Advance payment to suppliers and for expenses		
Rupees in Lacs	---	---
Euro	---	---
US Dollar	---	---
Receivable against export of goods and services		
Rupees in Lacs	---	918.19
US Dollar	---	856055.58
Euro	---	229189.24

The Company entered in to derivative contracts strictly for hedging purposes only and not for trading or speculation purposes.

Mahalaxmi Fabric Mills Limited

44 Reconciliation of opening and closing balances of Defined Benefit Obligation (Amount in Lakhs, unless otherwise stated)

Gratuity (Non-Funded)

	2024-25	2023-24
Defined Benefit obligation at beginning of year	103.39	0.00
Current Service Cost	6.81	9.69
Interest Cost	10.96	8.35
Past Service Cost	0.00	0.00
Actuarial (gain)/loss	-41.89	-17.14
Liability Transferred In/Acquisitons	11.43	111.30
Benefits paid	-6.37	-8.80
Defined Benefit obligation at year end	**84.34**	**103.39**

Reconciliation of opening and closing balances of fair value of Plan Assets (Amount in Lakhs, unless otherwise stated)

Gratuity (Non-Funded)

	2024-25	2023-24
Fair value of Plan assets at beginning of year	---	---
Expected return on plan assets	---	---
Actuarial gain/loss	---	---
Employer contribution	---	---
Benefits paid	---	---
Fair value of Plan assets at year end	---	---
Actual return on plan assets	**---**	**---**

Reconciliation of fair value of assets and obligations

	As at 31.03.25	As at 31.03.24
Fair value of Plan assets	---	---
Present value of obligation	84.34	103.39
Amount recognised in Balance Sheet	**84.34**	**103.39**

Expenses recognised in Profit & Loss A/c

	2024-25	2023-24
Current Service Cost	6.81	9.69
Interest Cost	10.96	8.35
Past Service Cost	---	0.00
Expected return on Plan assets	---	0.00
NET COST	**17.77**	**18.04**

Expenses recognised in OCI

	2024-25	2023-24
Actuarial (gain)/loss	(41.89)	(17.14)
Total	**(41.89)**	**(17.14)**

Investment Details

	2024-25	2023-24
GOI Securities	---	---
Public Securities	---	---
State Government Securities	---	---
Insurance Policies	---	---
Others (including bank balances)	---	---

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Actuarial assumptions

Gratuity (Non-Funded)

	2024-25	2023-24
Mortality Table(LIC)		
Attrition Rate	20%	2%
Discount rate (per annum)	6.54%	7.23%
Expected rate of return on Plan Assets(per annum)	N.A.	N.A.
Rate of escalation in salary (Per Annum)	5%	5%

45 Financial Risk Management

The principal financial assets of the Company include loans, trade and other receivables, and cash and bank balances that derive directly from its operations. The principal financial liabilities of the company, include loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the company.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and that advises on financial risks and the appropriate financial risk governance framework for the Company.

This note explains the risks which the company is exposed to and policies and framework adopted by the company to manage these risks:

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 prices comprise three types of risk: foreign currency risk, interest rate risk, investment risk.

(i) Foreign currency risk

The company operates internationally and business is transacted in several currencies.

The export sales of company comprise around 47.36% of the total sales of the company, Further the company also imports certain assets and material from outside India. The exchange rate between the Indian rupee and foreign currencies has changed substantially in the future. Consequently the company is exposed to foreign currency risk and the results of the company may be affected as the rupee appreciates/ depreciates against foreign currencies. Foreign exchange risk arises from the future probable transactions and recognized assets and liabilities denominated in a currency other than company's functional currency.

The company measures the risk through a forecast of highly probable foreign currency cash flows and manages its foreign currency risk by appropriately hedging the transactions. The Company uses a derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

The following table summarizes the company's exposure foreign currency risk from financial instruments at the end of each reporting period:

(Amount in Lakhs, unless otherwise stated)

Foreign Currency

Particulars	31-Mar-25	31-Mar-24
a) Exposure on account of Financial Assets		
Trade receivables (net of bill discounted) (A)		
In USD	175166.67	856055.58
In Euro	0.00	229189.24
Amount hedged through forwards & options # (B)	---	
In USD	---	406095.94
In Euro	---	---
Net Exposure to Foreign Currency Assets (C=A-B)	---	
In USD	175166.67	449959.64
In Euro	---	229189.24
b) Exposure on account of Financial Liabilities	---	---
Trade Payables (D)	---	
In USD	80354.88	85679.06
In Euro	---	---
In GBP	---	---
In CHF	---	

Particulars	31-Mar-25	31-Mar-24
Amount Hedged through forwards & options # (E)	---	---
In USD	---	---
In Euro	---	---
In CHF	---	
Net Exposure to Foreign Currency Liabilities F=(D-E)		
In USD	80354.88	85679.060
In Euro	---	---
In GBP	---	---
In CHF	---	
Net Exposure to Foreign Currency Assets/(Liability) (C-F)	---	
In USD	94811.79	364280.58
In Euro	---	229189
In GBP	---	---
In CHF	---	---

Foreign Currency Risk Sensitivity

The impact on the Company's profit before tax due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives on account of reasonably possible change in USD and Euro exchange rates (with all other variables held constant) will be as under:

Particulars	Net Impact on Profit before Tax	
	As at 31-Mar-25	As at 31-Mar-24
USD sensitivity		
INR/USD -Increase by 5%	4.05	15.19
INR/USD -Decrease by 5%	-4.05	-15.19
EURO sensitivity		
INR/EURO -Increase by 5%	---	10.30
INR/EURO -Decrease by 5%	---	-10.30
CHF sensitivity		
INR/EURO -Increase by 5%	---	0
INR/EURO -Decrease by 5%	---	0

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(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

As the Company has no significant interest-bearing assets, the income and operating cash flows are substantially independent 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 debt obligations with floating interest rates, which are included in interest bearing loans and borrowings in these financial statements. The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

At the reporting date the interest rate profile of the Company's interest bearing financial instrument is at its fair value:

Exposure to Interest Rate risk

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

(Amount in Lakhs, unless otherwise stated)

Particulars	As at 31 Mar, 2025	As at 31 Mar, 2024
Long term debts from Banks and Financial Institutions	1377.17	613.66
Current Maturities of long term debts	201.57	188.00
Unsecured Loan		
- From Bank	---	---
- From Related Parties	110.00	17.95
Short term Borrowings from Banks	2005.67	2262.15
Overdraft from Bank	697.20	499.28
Total borrowings	**4391.60**	**3581.04**
% of Borrowings out of above bearing variable rate of interest	84.12%	86.06%

Interest rate sensitivity

A change of 50 bps in interest rate would have following impact on Profit before tax

(Amount in Lakhs, unless otherwise stated)

Particulars	As at 31 Mar, 2025	As at 31 Mar, 2024
50 bps increase would decrease the profit before tax by	-18.47	-15.41
50 bps decrease would increase the profit before tax by	18.47	15.41

(iii) Investment Risk

The company is exposed to equity price risk arising from equity investments.

The company manages equity price risk by investing in fixed deposits/Fixed Maturity Plans. The company does not actively trade equity investments. Protection principle is given high priority by limiting company's investments to fixed deposits/Fixed Maturity plans only.

Liquidity Risk

The financial liabilities of the company, other than derivatives, include loans and borrowings, trade and other payables. The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations. The company monitors its risk of shortage of funds to meet the financial liabilities using a liquidity planning tool. The company plans to maintain sufficient cash and deposits to meet the obligations as and when fall due.

The below is the detail of contractual maturities of the financial liabilities of the company at the end of each reporting period:

Particulars	As at 31-Mar-25	As at 31-Mar-24
Borrowings		
expiring within one year	2904.44	2949.43
expiring beyond one year	1487.17	631.61
	4391.60	**3581.04**
Trade Payables		
expiring within one year	2643.73	3740.01
expiring beyond one year	439.68	59.67
	3083.41	**3799.68**
Other Financial liabilities		
expiring within one year	1631.02	136.90
expiring beyond one year	0.00	0.00
	1631.02	**136.90**

Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured. Credit risk on cash and bank balances is limited as the company generally invests in deposits with banks and financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in liquid mutual fund units, bonds, fixed maturity plan etc. issued by institutions having proven track record. The Company's credit risk in case of all other financial instruments is negligible.

The company assesses the credit risk for the overseas customers based on external credit ratings assigned by credit rating agencies. The company also assesses the creditworthiness of the customers internally to whom goods are sold on credit terms in the normal course of business. The credit limit of each customer is defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to overseas customers are generally covered by ECGC.

The impairment analysis is performed on client to client basis for the debtors that are past due at the end of each reporting date. The company has not considered an allowance for doubtful debts in case of trade receivables that are past due but there has not been a significant change in the credit quality and the amounts are still consideredrecoverable.

The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables as disclosed at Note 8

Write off policy

The financial assets are written off, in case there is no reasonable expectation of recovering from the financial asset.

46 Capital Management

The capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the company's capital management is to maintain optimum capital structure to reduce cost of capital and to maximize the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants which otherwise would permit the banks to immediately call loans and borrowings. In order 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 equity.

The Company's gearing ratio was as follows:

(Amount in Lakhs)

Particulars	Financial Year ended 31-03-2025	Financial Year ended 31-03-2024
Total Borrowings	4391.60	3576.04
Less: Cash and cash equivalents	133.90	263.00
Net debt	**4257.71**	**3313.04**
Total equity	9785.66	8967.63
Gearing ratio	43.51%	36.94%

Further, there have been no breaches in the financial covenants of any interest-bearing loans and borrowing during the year ended 31-Mar-25

47 Additional Regulatory Information

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

2 The Company do not have any transactions with companies struck off.

3 The Company do not have any charges or satisfaction of charges which are yet to be registered with Registrar of Companies beyond the statutory period.

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

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

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

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

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

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

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

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

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8 Ratios (Continuing operations)

(Amount in Lakhs, unless otherwise stated)

Sr No	Particular	Numerator	Denominator	March 31,2025	March 31,2024	% of Variance	Reason for Variance of more than 25%
1	Current Ratio	Current Asset	Current Liabilities	1.22	1.07	14.05	---
2	Debt-Equity Ratio	Total Liabilities	Shareholders Equity	1.97	1.88	4.80	---
3	Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Noncash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	6.00	1.15	421.74	Variance is due to increase in net profit after taxes and decrease in Debt repayment.
4	Return on Equity Ratio	Net Profits after taxes – Preference Dividend (if any)	Shareholder's Equity	0.08	0.02	409.55	Variance is due to increase in net profit after taxes
5	Inventory turnover ratio	Cost of goods sold	Average Inventory	92.04	134.08	-31.36	Variance is due to decrease in Net Sales.
6	Trade Receivables turnover ratio	Net credit sales = Gross credit sales - sales return	Avg. Accounts Receivable	1.47	1.33	10.17	Variance is due to decrease in Net Sales.
7	Trade payables turnover ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	1.06	1.17	-9.54	Variance is due to decrease in Purchase.
8	Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	8.91	33.47	-73.38	Variance is due to decrease in Net Sales.
9	Net profit ratio	Net Profit	Net sales = Total sales - sales return	5.19	0.85	-510.16	Variance is due to increase in net profit after taxes
10	Return on Capital employed	Earning before interest and taxes	Capital Employed = Total Equity+Long term Debt	-0.24	4.18	-105.70	Variance is due to increase in net profit before taxes
11	Operating profit Margin (%)	Earning before interest and taxes	Revenue from operations	-0.18	2.41	-2.59	---
12	Return on Net Worth (%)	Total comprehensive income for the year, net of tax	Net worth= Total Equity	8.48	1.75	6.73	---

48 Loss due to Fire

On 24th November,2024, a massive fire broke out at the factory premises of the Company, causing extensive damage to the building, plant and machinery, furniture, equpimnet and inventories, including goods belonging to third parties received for job work As a result, there has been a significant loss to the Company's assets. The estimated loss arising from the incident has been duly accounted for in the books of account. Insurance claim has been lodged with the Company's insurer, and the surveyor appointed by the insurance company is in the process of finalizing the assessment of the loss. Pending final settlement, the Company has recognized the estimated claim receivable from the insurance company to the extent of loss accounted. Any amount of insurance claim receivable over and above the book value of the damaged fixed assets has been presented as an Exceptional Item in the Statement of Profit and Loss.

The management believes that the final insurance claim will be settled in due course and is confident of recovering the claimed amount. The necessary adjustments, if any, will be made in the books of account upon final determination of the claim by the insurer

Mahalaxmi Fabric Mills Limited

(Amount in Lakhs, unless otherwise stated)

Name of the entity in the Group	Net Asset i.e. total assets minus total liablities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
Mahalaxmi Fabric Mills Limited	85.64	8380.37	45.71	361.59	100.00	38.56	48.23	400.15
Subsidiaries								
Indian								
1. Mahalaxmi Exports Private Limited	14.36	1405.28	54.29	429.48	---	---	51.77	429.98
Foreign								
Non-Controlling Interest in all subsidiaries								
Associates (Invesment as per the equity method)								
Indian								
Foreign								
Joint Venture (Investment as per the equity method)								
Indian								
Foreign								
Total	**100.00**	**9785.65**	**100.00**	**791.07**	**100.00**	**38.56**	**100**	**829.63**

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50 Notes Forming part of Financial Statements for Year Ended 31st March,2025

1 The Company overview

Mahalaxmi Fabric Mills Limited (Company) is an Listed Public Company domiciled in India and was incorporated on 04th April, 1991 under the provisions of the Companies Act, 1956 applicable in India. The Company is primarily engaged in the business of manufacturing of traditional textile and technical textile products.

B Significant accounting policies

Significant accounting policies adopted by the company are as under:

(a) Basis of Preparation of Financial Statements

(i) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

(ii) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except certain financial assets and liabilities measured at fair value.

(iii) Current and non current classification

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Act.

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(b) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected.

(c) Property, plant and equipment

The Company had applied for the one time transition exemption of considering the carrying cost on the transition date i.e. 1st April, 2016 as the deemed cost under IND AS. Hence regarded thereafter as historical cost.

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are taken as prescribed useful lives under Schedule II to the Companies Act, 2013. The management believes that such estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Statement of Profit and Loss under 'Other Income'.

(d) Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

(e) Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

The Company has amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible asset is 10 years.

(f) Investments in subsidiaries , associates

Investments in subsidiaries , associates are recognised at fair value.

(g) Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(h) Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

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(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions."

(i) Financial Instruments.

Fair value measurement

The Company has valued financial assets and Financial Liabilities, at fair value. Impact of fair value changes as on date of transition, is recognised in opening reserves and changes there after are recognised in Statement of Profit and Loss Account or Other Comprehensive Income, as the case may be.

Financial Assets

The company classifies its financial assets as those to be measured subsequently at fair value (either through other comprehensive income or through Profit or loss) and those to be measured at amortised cost.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable to transaction costs.

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(j) Revenue Recognition

The company derives revenues primarily from sale of manufactured goods, traded goods, job work and related services.

Revenue is recognised when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the companys activities as described below:

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the company as part of the comtract.

Sale of products:

Revenue from sale of products is recognised when significant risks and rewards in respect of ownership of products are transferred to customers based on the terms of sale. Revenue from sales is based on the price specified in the sales contracts, net of all discounts, returns and goods & service tax at the time of sale.

(k) Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities in accordance with the relevant prevailing tax laws. Tax expenses relating to the items in profit & loss account shall be treated as current tax as part of profit and loss and those relating to items in other comprehensive income shall be recognised as part of OCI.

(b) Deferred tax

Deferred income tax is recognised for all the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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At each balance sheet , the company re-assesses unrecognised deferred tax asets, if any, and the same is recognised to the extent it has become probable that future taxable profit will allow the deffered tax asset to be recovered. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority."

(l) Assets classified as held for sale

The Company classifies non-current assets (or disposal group) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets (or disposal group) held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities (or disposal group) classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

(m) Leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as a lessee are shown as other non current assets . Payments made under operating leases (net of any incentives received from the lesser) are charged to Statement of Profit and Loss on a straight-line basis over the period of the lease .

(n) Inventories

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials, finished goods, semi finished goods, trading goods and stores and spare parts are valued at lower of cost and net realizable value. Cost includes purchase price, (excluding taxes those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. Fent, rags and rejections are stated at net realisable value. In determining the cost, FIFO method is used.

(o) Impairment of assets

The carrying value of assets / cash generating units at the Balance Sheet date are reviewed for impairment, if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognied for such excess amount.

(p) Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks 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.

Contingent liabilities are disclosed 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 or a reliable estimate of the amount cannot be made.

(q) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits net of bank overdraft."

(r) 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.

(I) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

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(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) at amortized cost; or

b) at fair value through other comprehensive income; or

c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows."

(iii) Impairment of financial assets

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVTOCI debt instruments.The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

a) the rights to receive cash flows from the financial asset is transferred or

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized."

(II) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

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(ii) Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost . Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized .

(iii) Derecognition

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

(s) Employee Benefits

(I) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled.

(II) Other long-term employee benefit obligations

(i) Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) Defined benefit plans

Gratuity: The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially at the end of each year. Actuarial losses/gains are recognized in the other comprehensive income in the year in which they arise.

(t) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year, if any. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares."

(u) Research & Development

Expenditure on research and development is recognised as an expense when it is incurred. Expenditure which results in increase in property, plant and equipment are capitalised and depreciated in accordance with the policies stated for property, plant & equipment.

(v) Government grants

Grants from the government are recogmised at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all the attached conditions.All government grants are intially recognised by way of setting up as deferred income. Government grants relating to income are recognised in the profit & loss account . Government grants relating to purchase of property, plant & equipment are subsequently recognised in profit & loss on a systematic basis over the expected life of the related depreciable assets. Grants recognised in Profit & Loss as above are presented within other income.

(w) Inter divisional transcations

Inter divisional transcations are eliminated as contra items. Any unrealised profits on unsold stocks on account of inter divisional transcations is eliminated while valuing the inventory.

(x) Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

Estimates and assumptions

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

Mahalaxmi Fabric Mills Limited

(i) Taxes

Significant assumptions and judgements are involved in determining the provision for tax based on tax enactments, relevant judicial pronuncements including an estimation of the likely outcome of any open tax assements/ litigations. Deferred income tax assets are recognised to the extent that it is probable that future taxable income will be available , based on estimates thereof.

(ii) Defined benefit plans (gratuity benefits and leave encashment)

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

Summary of significant accounting policies

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

For BHANWAR JAIN & CO.
Chartered Accountants.
Firm Registration No. : 117340W

Sd/-
(B. M. JAIN)
Proprietor
Membership No. : 034943

AHMEDABAD: 29th May , 2025.

For and on behalf of Board of Directors of Mahalaxmi Fabric Mills Ltd.

Sd/-
Jeetmal B. Parekh
Director
(DIN 00512415)

Sd/-
Anand J. Parekh
Managing Director
(DIN: 00500384)

Sd/-
Rahul J. Parekh
Director
(DIN: 00500328)

Sd/-
Sangita S. Shingi
Director
(DIN 06999605)

Sd/-
Nehal M. Shah
Director
(DIN 00020062)

Sd/-
Indra B. Singhvi
Director
(DIN 07054136)

Sd/-
Rajshree Raol
Chief Financial Officer

Heer Yuvraj Pandya
Company Secretary

AHMEDABAD: 29th May , 2025.

Value Research

Value
Research

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