

HASIMARA INDUSTRIES LIMITED
CIN : L6599WB1904PLC001571

ANNUAL REPORT 2023-24

BOARD OF DIRECTORS

S.P.Jalan
Mrs. Vinay Issar
Mr. Susil Kumar Pal

DIN

0000044387
0007057147
0000268527

Company secretary

P.C.Bhandari

M.No. ACS 1041

BANKER

IndusInd Bank Ltd

AUDITORS

B.S.Chandra & Co.
Chartered Accountants
Ahmadpur, Birbhum

FRN .313060E

GARDEN

Satali Tea Estate P.O.hasimara
Dist: Alipurduar, West Bengal

REGISTERED OFFICE

3, Netaji Subhas Toad
Kolkata+-700001
Telephone : 033 2248 7386/7387
e-mail: hasimara_tea@yahoo.com
website: hasimara.com

REGISTRARS EQUITY SHARES

MAHESHWARI DATAMATICS PVT. LTD.
23, R.N.Mukherjee Road, 5th Floor
Kolkata-700001
Telephone : 033-22482248, 2243-5029
e-mail: mdpldc@yahoo.com

HASIMARA INDUSTRIES LIMITED

REPORT OF THE DIRECTORS

The Directors of the Company have pleasure in presenting the Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 2024.

FINANCIAL RESULTS :

	Rs.	Rs.(In Lacs)
The year's working shows a Deficit of		(434.57)
From which is deducted :		
Interest	174.18	
Depreciation	<u>124.95</u>	<u>299.13</u>
Profit / (Loss) before Exceptional and Extra Ordinary Items and Tax		(733.70)
To which is Added :		
Net other Comprehensive Loss for the year		<u>0.68</u> (733.02)
Further Added :		
Deferred Tax		69.33
Total Comprehensive Income for the period (Comprising Profit/ (Loss) and Other Comprehensive Income for the period)		----- <u>(663.69)</u>

OPERATION OVERVIEW:

The Company's Turnover stood at Rs.39.95 Crores for the period ended 31-03-2024 (Previous year: 39.60 Crores). The average price realization was lower as compared to previous year and due to production loss of nearly about 70,000 Kg as compared to the last year, the company suffered Loss. Moreover there was sharp increase in wages, salary, cost of chemicals and other inputs.

COURSE OF BUSINESS AND OUTLOOK:

Management discussion and analysis report give the state of affair of the business of the Company attached to this report separately. (*Annexure I*)

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:

Particular in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 read with the Companies (Account) Rules, 2014 as set out in a separate statement attached hereto and forming part of the report. (*Annexure II*)

CORPORATE GOVERNANCE:

The provisions of Corporate Governance as per SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 are not applicable to the Company.

EXTRACTS OF ANNUAL RETURN:

The Annual Return of the Company as on 31st March, 2024 in Form MGT - 7 is in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014 and is available on the website of the Company at <https://www.hasimara.com/>.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirements of Section 134(1)(c) of the Companies Act, 2013 and on the basis of explanation and compliance certificate given by the executive of the Company and subject to the disclosures in the annual accounts and also on the basis of discussion with the Statutory Auditors of the Company from time to time we state as under :-

- (a) That in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departure.
- (b) That the Director had selected such accounting policy and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit / loss of the Company for that period.
- (c) That the Directors had taken proper and sufficient care for 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 frauds and other irregularities.
- (d) That the Directors had prepared the Annual Accounts on a going concern basis;
- (e) That the Directors had laid down internal financial controls to be followed by the Company and that such internal financial control are adequate and were operating effectively; and
- (f) That the Directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS:

In accordance with provisions of Section 152 of the Companies Act, 2013, Mr. Sriprakash Jalan (DIN: 00044387), Director of the Company will be retiring by rotation at the ensuing Annual General Meeting, who being eligible, offers himself for re- appointment.

ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS:

The Board of Directors of the Company has initiated and put in place evaluation of its own performance, its committee and individual Directors. The result of the evaluation is satisfactory and adequate and meets the requirement of the Company.

NUMBER OF MEETING OF BOARD OF DIRECTORS:

The Board of Directors have met 7 times and Independent Director met also during the year ended 31st March, 2024.

DETAILS OF COMMITTEE OF DIRECTORS:

The composition of the Committees, viz., Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee are constituted in accordance with Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR) Regulations, 2015"], wherever applicable. The details are provided in *Annexure III* which forms the part of the Annual Report.

The recommendation by the Audit Committee as and when made to Board has been accepted by it.

KEY MANAGERIAL PERSON:

Mr. Sudhir Sharma (CFO) and Mr. P. C. Bhandari, CEO and Secretary of the Company are the key managerial personnel of the Company as per definition under section 2(51) and Section 203 of the Act.

PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTY:

The particulars of Contracts or Arrangements made with related parties pursuant to Sub-section (1) of Section 188 of the Companies Act, 2013 furnished in Form AOC-2, is attached to this report as *Annexure IV*.

The transaction with related party which require disclosure under Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (accounts) Rules, 2014 are given in the notes to the financial statement.

LOAN, INVESTMENT AND GUARANTEE BY THE COMPANY:

There is no loan given, investment made, guarantee given or security provided by the Company to any entity under Section 186 of the Companies Act, 2013.

FIXED DEPOSIT:

Your Company has not accepted any fixed deposit for the financial year ended 31-03-2024.

RISK MANAGEMENT:

The Company has led down a comprehensive risk assessment and minimization procedure which is reviewed by the Board from time to time. The procedures are reviewed to ensure that executive management control risk through means of properly defined frame work. The major risks have been identified by the Company and its mitigation process / measures have been formulated.

ANALYSIS OF REMUNERATION:

Pursuant to Rule 5 of the Companies (Appointment and Remuneration) Rules 2014 disclosure on remuneration related information of employee, key managerial person is annexed herewith in *Annexure-V*.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company provides for safe and conducive work environment to its employees. During the year under review no case of sexual harassment was reported.

AUDITORS:

At the Annual General Meeting held on 14th September 2021, M/s. B. S. Chandra & Co., Chartered Accountants, (FRN: 313060E), were appointed as Statutory Auditors of the Company to hold Office till the conclusion of the Annual General Meeting to be held in the Calendar year 2026.

The Statutory Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company,

The Statutory Auditor Report to the Members for the year ended March 31, 2024 does not contain any qualification, reservation, adverse remark or disclaimer. Also there has been no instance of fraud reported by the statutory auditors for the period under review.

SECRETARIAL AUDIT REPORT:

A Secretarial Audit Report for the year ended 31-03-2024 in prescribed form duly audited by the Practicing Company Secretary, Rajesh Ghorawat is annexed herewith and forming part of the report. (*Annexure VI*).

The Company has complied with most of the provisions of SEBI (LODR) Regulations, 2015. The Company will take necessary steps to comply with all the applicable provision of SEBI (LODR) Regulations, 2015.

INTERNAL AUDITOR:

As recommended by the Audit Committee, the Board of Directors had re-appointed M/s. Lodha & Co., Chartered Accountants, as Internal Auditors of the Company for the Financial Year 2023-24 to conduct internal audit of the Company and their report on findings is submitted to the Audit Committee on periodic basis.

COST RECORDS:

The Company's cost records are not applicable for the products as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS:

There were no significant and material orders passed by the Regulators or Courts or Tribunals during the year under review impacting the going concern status and the operations of the Company in future.

PARTICULAR OF EMPLOYEE:

No employee of the Company was in receipt of such remuneration as to disclose particular pursuant to the provision of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

SECRETARIAL STANDARDS:

The company has complied with the applicable provisions of Secretarial Standards SS-1 and SS-2 with respect to convening of Board Meetings and General Meetings during the period under review.

PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable.

ACKNOWLEDGEMENT:

The Directors wish to express their appreciation to all officers, members, staff and workmen of the Company for valuable services rendered and dedication exhibited by them. They also express their gratitude to Tea Board and Bankers for their co-operation and support extended to the Company and express their thanks to Shareholders for their confidence and understanding.

Registered Office:
3, Netaji Subhas Road,
Kolkata 700 001
Dated:30th August, 2024

By Order of the Board
For Hasimara Industries Limited
S. P. Jalan
Chairman

Annexure I to the Directors' Reports

Management Discussion and Analysis Report

Industrial Structure and Development

India is the largest producer of tea in the world, producing about 1370.00 million Kgs in 2023 against 1366.36 million Kgs of Tea during calendar year 2022. Sri Lanka, Kenya, Bangladesh and other African countries are other main black tea Producer globally. The tea Industry plays a vital role in the Indian economy by way of contributing valuable foreign exchange and providing employment to a vast work force in remote areas. In 2023 total tea export was 231.69 million kilos as against 226.98 million kilos in 2022.

Weather condition during 2023 varied from country to country. In India there was increase of production to the tune of 3.64 million Kgs. The Auction price per kg of made Tea was lower in comparison to last year. The Organized Tea Industry continues to suffer due to increase in production from the Unorganized Tea Producers (small Tea Growers). Cost in India were also higher due to increase in input cost like wages, power and fuel, fertilizer, Chemicals, welfare expenses etc.

The average price realized by our company for per kg of tea in 2023-24 was Rs.214 compared to 2022-23 when it was Rs.218 per kg. The company has one tea estate together with own processing unit. Your company is committed to improve quality. Tea continues to enjoy the status of a popular beverage in the world. The huge domestic market offers a significant opportunity for the tea industry in India. Tea is now also being promoted as a health drink and offers significant opportunities for increase in consumption world wide.

Outlook

The health of Tea Industry depends to a large extent on the geographical conditions which are outside the realm of the control of the company. The tea industry is highly labour intensive. The wages of workers are determined according to periodic wage settlement agreement which has increased the labour cost to a significant extent irrespective of any improvement in productivity and realization. The Production of Tea this year is lower than previous year due to unfavorable weather conditions. The cost of production also continues to escalate. However the Company is making all efforts to improve quality so that the average price realization is higher than the previous year. In view of the Global shortage, prices are expected to remain firm.

Internal Control System and its adequacy

The Company has an adequate Internal Control system to ensure proper and efficient use of the company's resources, its protection against any unauthorized use, accuracy in financial reporting and due compliance of the company policy procedure as well as the statutes. Statutory and internal auditors also review its implementation and progress at periodic intervals and take corrective action where any short comings are identified. The audit committee similarly reviews the internal control system and provides guidance for improvement.

Financial and Operational Performance:

During the year 2023-2024 the Company reported a net revenue of Rs.40.43 Crores in comparison to previous year Rs.39.81 Crores and Loss for the year ended 31st March, 2024 is Rs.663.69 Lakhs after Interest, Depreciation and Taxation in comparison to loss of Rs.457.59 Lakhs last year.

Human Resources and Development:

The Company has around 2100 permanent employees employed at the tea estate. The labour welfare officer employed specifically for the purpose monitors the welfare of the workers.

Your Company runs a hospital, ambulance and one dispensary at its out divisions providing medical care to the employees.

Personnel:

The Industrial relation remains satisfactory for the year under review.

Annexure II to the Directors' Reports

I. CONVERSION OF ENERGY

- a) Energy Consumption Measures taken : Nil
- b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy : Nil
- c) Impact of the measures at (a) & (b) above in reduction of energy, consumption and consequent impact on the cost of production of goods : Nil
- d) Total energy consumption and energy consumption per unit of production as per Form-A of the Annexure to the Rules in respect of industries specified in the Schedule thereto :

A) Power & Fuel Consumption	Current Year	Previous Year
1. Electricity		
a) Purchased Unit (in Thousand)	2190	2318
Total Amount (Rs.. in Lacs)	225.83	234.00
Rate / Unit (Rs.)	10.31	10.09
b) Own Generation		
Through Diesel Generator		
Unit (in thousand)	87	58
Unit per Ltr. Of Diesel Oil	4.19	2.02
Cost / Unit (Rs.)	23.25	46.53
	Current Year	Previous Year
2. Coal (Steam used for generation of Steam in Boiler)		
Quantity (Tonnes)	1446	1756
Total Cost (Rs. in Lacs)	199.66	295.97
Average Rate (Rs Per Tonnes.)	13804	16855
3. Others/Internal Generation (HSD Oil)		
Quantity (K. Ltr.)	21	29
Total Cost (Rs. in Lacs)	19.87	27.08
Rate (Rs.)	95.53	94.03

B) Consumption per unit of production

Product (Tea) (kg in Lakh)	Unit	18.58	19.29
Electricity	Units	1.17	1.25
Furnace Oil	Ltr.	--	--
Coal (Steam)	Kgs.	0.78	0.95

II. TECHNOLOGY ABSORPTION

Efforts made in technology absorption as per Form-B of Annexure to the Rules :

1. Research & Development (R & D)			
a) Specified areas in which R & D carried out by the Company	Nil	Nil	
b) Benefits derived as a result of the above R & D	Nil	Nil	
c) Future plan of action	Nil	Nil	
d) Expenditure on R & D (Rs. in Lacs)			6.90
2. Technology absorption, adaptation and innovation :			
a) Efforts in brief, made towards technology absorption, adaptation and innovation	Nil	Nil	
b) Benefits derived as a result of the above effort e.g. product improvement cost reduction, product development, import substitution etc.	Nil	Nil	
c) In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year)	Nil	Nil	

III. FOREIGN EXCHANGE EARNING AND OUTGO

	Current Year	Previous Year
a) Activities relating to exports initiatives taken to increase exports, development of new export markets for products and services and export plans	Nil	Nil
b) Total foreign exchange used and earned (Rs. in Lacs)		
Earned	Nil	Nil
Used	NIL	4.47

Annexure III to the Directors' Reports

DETAILS OF DIRECTORS / COMMITTEE OF DIRECTORS MEETING

1. DIRECTORS

NAME	NO. OF MEETING	NO OF MEETING ATTENDED
MR. S. P. JALAN	7	7
MR. SHAKTI KHAITAN	3	3
MR. SUSIL KUMAR PAL	7	7
MRS. VINAY ISSAR	7	7

A) AUDIT COMMITTEE

NAME	NO. OF MEETING	NO OF MEETING ATTENDED
MR. S. P. JALAN	4	4
MRS. VINAY ISSAR	4	4
MR. SUSIL KUMAR PAL	4	4

B) NOMINATION AND REMUNERATION COMMITTEE

NAME	NO. OF MEETING	NO OF MEETING ATTENDED
MR. S. P. JALAN	2	2
MR. SHAKTI KHAITAN	2	2
MR. SUSIL KUMAR PAL	2	2

C) STAKE HOLDER RELATIONSHIP COMMITTEE

NAME	NO. OF MEETING	NO OF MEETING ATTENDED
MR. S. P. JALAN	2	2
MR. SHAKTI KHAITAN	2	2
MR. SUSIL KUMAR PAL	2	2
MRS. VINAY ISSAR	2	2

Annexure -IV to the Directors' Reports

FORM NO. AOC - 2

Disclosure of particular of Contracts / arrangements entered into by the Management with related party referred to in Sub section 1 of Section 188 of Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

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

1. Details of Contract or arrangements or transaction not at arm's length basis

During the financial year ended 31st March 2024, there was no contract or arrangement or transaction entered into by the Company not at arm's length basis.

2. Details of Material Contract or arrangements or transaction at arm's lengths basis.

Name of the related party and nature of relationship	Nature of Contracts / arrangements/ transaction	Duration of the Contract/ arrangements/ transaction	Salient Terms of Contract or arrangements or transaction including the value, if any.	Date of Approval by the Board, if any.	Amounts paid as advance, if any.
Mr. Anirudha Jalan, Son of Mr. S. P. Jalan Director of Company.	Appointed as Senior Executive of the Company	Contract will end on 31-03-2025, subject to renewal.	Total Salary for the FY 2023-24 Rs.21,25,800/-	Board Meeting held in FY 22-23 on 10-05-2022	Nil.

Annexure – V to the Directors’ Reports

ANALYSIS OF REMUNERATION

Pursuant to section 197(12) of the Companies Act, 2013, read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rule 2014 for the year ended 31-03-24.

- 1) No director have paid any remuneration except sitting fees. The ratio of the remuneration of the Directors to the median remuneration of the employees of the Company for the financial year is negligible, hence not reported.

- 2) Percentage of increase in remuneration of KMP

Sl. No.	Name	Designation	% increase	
			2023-2024	2022-2023
1.	Mr. Prakash Chand Bhandari	CEO	35.00	-

- 3) Number of permanent employee on the roll of the Company as on 31st March, 2024 was 2250 nos. and as on 31st March, 2023 was 2250 nos.

- 4) A) Performance of the Company

Description	Rs. in Lacs	
	2023-2024	2022-2023
Profit/(Loss) before tax	(733.70)	(487.39)

B) Remuneration to the employee of the Company as per the remuneration policy of the Company as per comparative market scenario and sustainability in the medium to long-term.

- 5) There is no direct relationship between average increase in remuneration of employee and KMP with year to year financial performance of the Company.
- 6) Variation in market capitalization of the Company, price earning ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotation of the shares of the Company in comparison to rate at which the Company came out with the last public offer:

- i) Variation in Market capitalization during financial year 2023-24 of the Company.

Increase in (Rs.in Lacs)	% of Increase
N.A.	N.A.

ii) Price earning ration

Description	As on 31-03-2024	As on 31-03-2023
Price Earning Ratio	(0.51)	(2.19)

SECRETARIAL AUDIT REPORT

For the Financial Year Ended 31st March, 2024

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

To

The Members

Hasimara Industries Ltd

McLeod House, 1st Floor

3, Netaji Subhas Road

Kolkata-700 001

I have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **M/s Hasimara Industries Ltd** (hereinafter called 'the Company') bearing CIN: L65993WB1904PLC001571. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **M/s Hasimara Industries Ltd** 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2024, generally 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s Hasimara Industries Ltd** for the financial year ended on 31st March, 2024, **to the extent of Acts/provisions of the Acts applicable**, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; *(Not Applicable as there was no reportable event during the financial year under review)*

(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 as there was no reportable event during the financial year under review)*
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share

- Based Employee Benefits) Regulations 2014; (*Not Applicable as there was no reportable event during the financial year under review*)
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (*Not Applicable as there was no reportable event during the financial year under review*)
 - 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, 2009; (*Not Applicable as there was no reportable event during the financial year under review*) and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (*Not Applicable as there was no reportable event during the financial year under review*)

(vi) The company belongs to the Tea industry. I further report that having regard to the compliance system prevailing in the Company, I have relied upon the representation made by the Management, for compliance with the specific applicable laws like:

- a) Food Safety and Standards Act, 2006;
- b) Agricultural Produce (Grading and Marking) Act, 1937;
- c) The Tea Act, 1953 along with the allied acts pertaining to the union of tea industry and regulated by "**The Tea Board, India**";
- d) Agricultural and Processed Food Products Export Act, 1986;
- e) Agricultural and Processed Food Products Export Cess Act, 1986;
- f) Plantation Labour Act, 1951;
- g) Tea Waste Control Order, 1959;
- h) Tea (Marketing) Control Order, 2003;
- i) Tea (Distribution & Export) Control Order, 2005;
- j) Fertilizer Control Order, 1985;
- k) Weight and Measurement Act, 1976.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The compliances of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- *The Company has partially complied with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regards to finalization of Annual Accounts with the timeline, publishing its quarterly financial results in newspapers.*

I further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decisions in the meeting of Board of Directors were carried through while the dissenting members views, if any, were captured and recorded as part of the minutes.

RAJESH GHORAWAT
PRACTISING COMPANY SECRETARY

68, R.K.CHATTERJEE ROAD,
KASBA BAKULTALA, FLOOR,
KOLKATA-700042
MOBILE- 9831189994
Email Id-rgadvisory18@gmail.com

I further report that as per the explanations given to me and the representations made by the Management and relied upon by me, 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.



Rajesh Ghorawat
Practising Company Secretary
M.No. F7226
CP No. 20897

UDIN: F007226F001044669
ICSI Peer Review No.: 1992/2022

Place: Kolkata
Dated: 26th August, 2024

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

RAJESH GHORAWAT

PRACTISING COMPANY SECRETARY

68, R.K.CHATTERJEE ROAD,
KASBA BAKULTALA, FLOOR,
KOLKATA-700042
MOBILE- 9831189994
Email Id-rgadvisory18@gmail.com

Annexure A

To
The Members
Hasimara Industries Ltd
3 Netaji Subhas Road
Kolkata-700 001

1. It is the responsibility of the Management of the Company to maintain Secretarial records, devise proper systems and process to ensure the compliance with the provisions of all applicable laws and regulations and to ensure that the systems and process devised are adequate and operate effectively and efficiently.
2. My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. I have followed the audit practices and process 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. I believe that the process and practices followed provide a reasonable basis for my opinion.
4. Wherever required, I have obtained the Management representations about the compliance of laws, rules and regulations and happening of events etc.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
6. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.



Rajesh Ghorawat
Practising Company Secretary
M.No. F7226
CP No. 20897

UDIN: F007226F001044669
ICSI Peer Review No.: 1992/2022

Place: Kolkata
Dated: 26th August, 2024

STATEMENT OF ACCOUNTS

&

AUDITOR'S REPORT OF

HASIMARA INDUSTRIES LIMITED

MCLEOD HOUSE, 1st Floor 3,
NETAJI SUBASH ROAD, KOLKATA
PIN: 700 001, WEST BENGAL

FOR FINANCIAL YEAR 2023 - 2024

B.S. CHANDRA & CO.
CHARTERED ACCOUNTANTS

AHMADPUR, BIRBHUM

PIN- 731 201



The Institute of Chartered Accountants of India

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INDEPENDENT AUDITORS' REPORT

To the Members of Hasimara Industries Limited

Report on the Financial Statements

We have audited the accompanying Financial Statements of Hasimara Industries Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, including a summary of significant accounting policies and Other Explanatory Notes for the year ended on that date (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Directors' Report, Management Discussion and Analysis Report, Business Responsibility Report and Report on Corporate Governance, but does not include the standalone financial statements and our auditors' report thereon. The other information as stated above is expected to be made available to us after the date of this auditors' report. 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 identified above when it becomes available, 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.

When we read the other information as stated above and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe necessary actions required as per applicable laws and regulations.

Management's Responsibility for the Financial Statements

The Company's management and Board of Director are responsible for the matters stated in sec 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, 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 free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are 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 managements intends to liquidate the Company or to cease operation, or has no realistic alternative but to do so.

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

Auditors' Responsibility for the Audit of the 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 auditors' 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 Standard on Auditing (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:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit



evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal 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 with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
- 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 auditors' 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.



Basis for Qualified Opinion

Attention is invited to the following matters:-

- i. Note No. 38 regarding non provision of gratuity liability as per Indian Accounting Standard-19 "Employee Benefits", in the absence of actuarial valuation, the impact whereof has not been ascertained and accordingly cannot be commented upon by us;

We further report that the impact of the above and overall impact of items reported by us in paragraph above, the effect of which cannot be determined and commented upon by us.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at March 31, 2024 and its profit (including other comprehensive income), its cash flows and the changes in Equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

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, *subject to point (i) of the matter described in the Basis for Qualified opinion paragraph above*, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books ;
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
- d) *Subject to para (i) of the matters described in the Basis for Qualified opinion paragraph*, in our opinion, the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of changes in Equity and the Statement of Cash Flows comply with the Indian Accounting Standards specified under section 133 of the Act;



- e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of section 164 (2) of the Act.
- f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- g) With respect to the adequacy of the Internal Financial Controls over Financial Reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigation having material impact on the financial position of the company which has not been disclosed in the financial statement as required in terms of the accounting standards and provisions of the Companies Act, 2013.
 - ii. The Company does not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses.
 - iii. There are no 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, no funds have been advanced or loaned or invested (either from borrowed fund or share premium or any other source or kind of funds) by the Company to or in any other person or entity, 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 by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b). The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any person or entity, 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 by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



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

- v. No dividend has been declared or paid during the year by the Company.
- vi. Based on our examination, the Company has used accounting software for maintaining its books of account which has a feature or recording trail (edit log) facility and the same has operated throughout the year for all relevant transaction recorded in the software. Further, during the course of our audit, we did not come across any instances of audit trail feature being tampered with.

Place: Kolkata
Date : 14th August, 2024



For B. S. Chandra & Co.
Chartered Accountants
Firm's ICAI Registration No.:313060E

B. S. Chandra

Bimalendu Sekhar Chandra
Proprietor
Membership No: 051067

UDIN: 24051067BKFAKZ8399

Hasimara Industries Limited

"Annexure A" to the Independent Auditor's Report of even date:

- i)
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b. The Fixed assets have been physically verified by the management at reasonable intervals which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds/lease deeds of immovable properties are held in the name of the Company.
 - d. No revaluation has been made for Property, Plant & Machinery or Intangible Assets during the year.
 - e. Based on the information and explanation given to us no proceedings had been initiated against the company for holding any benami property under the Benami Transactions (Prohibition) Act.
- ii) The Inventory, except goods in transit, and stock lying with third parties, has been physically verified by the Management during the year. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its business. Stocks in transit and those with third parties have been verified by the Management with reference to subsequent receipt of goods and/or proceeds thereon with other records. No material discrepancies were noticed on such verification.
- iii) The Company has not granted any loans secured or unsecured to companies, firms, Limited Liability Partnerships or parties covered in the register maintained under Section 189 of the Act. Accordingly, clause 3 (iii) of the Order is not applicable to the Company.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- v) The Company has not accepted any deposits from public covered under Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder.
- vi) According to the information and explanations given to us, the maintenance of cost records under Section 148(1) of the Act has not been prescribed and as such, paragraph 3(vi) of the Order is not applicable to the Company.
- vii)
 - a. According to the information and explanations given to us, during the year, the company has been regular in depositing to the appropriate authorities undisputed statutory dues including Employees' State Insurance, Income Tax, Goods & Services Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues as applicable to it. However, as per the information and explanation given to us, the PF against those workers has not been paid whose Aadhar has not been linked to the PF records due to mismatch in credentials. The amount outstanding to be paid against those worker is Rs. 56.03 Lakh approx. as on 31.03.2024.



- b. According to the information and explanations provided to us and records of the Company examined by us, there are no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise and Value Added Tax which have not been deposited on account of dispute.
- viii) No case of any transaction, not recorded in the books of account and subsequently disclosed as income during the year in the tax assessment, was noticed.
- ix) a. In our opinion and on the basis of information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to banks. The Company had neither outstanding debenture nor it has issued during the year.
- b. The Company has not been declared as a wilful defaulter by any bank or financial institution or government or government authority
- c. The Company has applied the term loan taken during the year for the purpose for which it has been obtained.
- d. On an overall examination of the financial statements of the Company, no funds has been raised for short term basis.
- e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligation of its subsidiaries, associates or joint ventures;
- f. The Company has not raised any loans against the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the order is not applicable.
- x) a. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and hence reporting under clause 3(x)(a) of the order is not applicable
- b. During the year, the Company has not made any preferential allotment or private allotment of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi) a. During the course of our examination of books of account carried out in accordance with generally accepted auditing practices in India, we have neither come across any incidence of fraud by the Company or on the company by its officers or employees nor have we been informed of any such cases by the management.
- b. No report under sub section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit & Auditors Rules) 2014 with the Central Government, during the year.



- c. There has been no instance of whistle-blower complaints received by the Company during the year under audit.
- xii) In our opinion and according to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Companies Act, 2013.
- xiii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiv) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xv) The Company has an internal audit system commensurate with the size and nature of its business. We have considered the internal audit report for the period under audit and observed some irregularities for non-compliance of standard with actual achievement.
- xvi) There is cash loss of Rs. 608.75 Lakh during the financial year under audit whereas cash loss of Rs. 346.01 Lakh was reported in the immediately preceding financial year.
- xvii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xviii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xix) During the year, there is no resignation of the Statutory Auditors
- xx) According to the information and explanation given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, we are of the opinion that no material uncertainty exists as on the date of audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We 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 the fall due.



xxi)

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

xxii)

Compliance of CSR is not applicable on the Company as required under section 135 of the Companies Act, 2013

Place: Kolkata
Date: 14th August, 2024



For B. S. Chandra & Co.
Chartered Accountants
Firm's ICAI Registration No.:313060E

B. S. Chandra

Bimalendu Sekhar Chandra
Proprietor

Membership No: 051067

UDIN: 24051067BKEAKZ8399

Hasimara Industries Limited

"Annexure B" referred to in 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 Hasimara Industries Limited ("the Company") as at March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

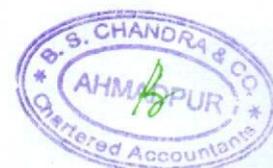
Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected



depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

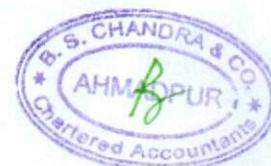
Qualified Opinion

According to the information and explanations given to us and based on our audit, in our opinion, the following material weaknesses have been identified in the Company's internal financial controls over financial reporting as at March 31, 2024:

As stated in Note No. 38 of the Ind AS financial statement, Gratuity liability is recognized on the same becoming due for payment has been accounted for based on management estimate which are not in compliance with the requirements of Indian Accounting Standard-19 on "Employee Benefits" including in respect of non-disclosures with respect to these in terms thereof.

Impact with respect to above cannot be ascertained and commented upon by us.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis

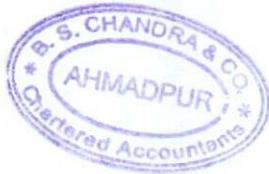


In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2024 financial statements of the Company, and these material weaknesses has affected our opinion on the financial statements of the company and therefore we, where relevant and applicable, have issued qualified opinion on the Financial Statements of the Company.

Place: Kolkata

Date: 14th August, 2024



For B. S. Chandra & Co.
Chartered Accountants
Firm's ICAI Registration No.:313060E

B. S. Chandra

Bimalendu Sekhar Chandra

Proprietor

Membership No: 051067

UDIN: 24051067BKEAKZ8399

HASIMARA INDUSTRIES LIMITED
Balance Sheet as at 31st March, 2024

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
ASSETS			
1) Non-current Assets			
(a) Property, Plant And Equipment	5.1	2,324.25	2,364.46
(b) Capital Work-in-progress	5.2	446.07	285.15
(c) Financial Assets			
(i) Investments	6	3.08	3.13
(d) Current Tax Assets (Net)	7	28.74	24.76
(e) Deferred tax assets (Net)	8	166.29	96.83
(f) Other Non current assets	9	44.10	43.82
Total Non Current Assets		3,012.53	2,818.15
2) Current Assets			
(a) Inventories	10	429.58	583.73
(b) Biological Assets other than bearer plants	11	68.86	40.97
(c) Financial Assets			
(i) Trade receivables	12	25.37	26.99
(ii) Cash and cash equivalents	13	29.34	12.05
(iii) Other Bank Balances	14	35.41	33.37
(iv) Loans	15	12.15	12.15
(v) Other Financial Assets	16	5.59	6.52
(d) Other current assets	17	21.70	28.69
Total Current Assets		627.99	744.47
Total Assets		3,640.52	3,562.62
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	18	100.00	100.00
(b) Other Equity	19	238.98	902.68
Total Equity		338.98	1,002.68
Liabilities			
1) Non Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	923.21	564.49
(b) Other Non Current Liabilities	21	72.93	83.28
Total Non Current Liabilities		996.14	647.77
2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	1,147.31	1,018.20
(ii) Trade Payables	23		
(a) Total outstanding dues of micro enterprise and small enterprise		-	-
(b) Total outstanding dues to creditors other than micro enterprise and small enterprise		876.56	664.43
(iii) Other Financial Liabilities	24	128.21	134.06
(c) Other current liabilities	25	153.31	95.48
Total Current Liabilities		2,305.39	1,912.17
Total Liabilities		3,301.54	2,559.94
Total Equity and Liabilities		3,640.52	3,562.62

Accompanying Notes on Financial Statements
These notes are an integral part of the Financial Statements.

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For B. S. Chandra & Co.
Firm Registration number : 313060E
Chartered Accountants
B. S. Chandra
Bimalendu Sekhar Chandra
Proprietor
Membership No. : 051067
Place: Kolkata
Date: 14th August, 2024

For and on behalf of the Board

[Signature]
(Director)

[Signature]
(Director)

[Signature]
(Company Secretary & Chief Executive Officer)



HASIMARA INDUSTRIES LIMITED

Statement of Profit and Loss for the year ended 31st March, 2024

(Rs. in Lakhs)

Particulars	Note No.	For the year ended 31.03.2024	For the year ended 31.03.2023
Revenue from Operations	26	3,995.17	3,959.95
Other Income	27	47.65	20.80
Total Income		4,042.82	3,980.75
Expenses			
Changes in inventories of finished goods, work-in progress and Stock-in-Trade	28	125.02	(189.23)
Employee Benefits Expenses	29	2,958.49	2,939.89
Finance Costs	30	174.18	119.75
Depreciation and Amortisation Expenses	5	124.95	141.38
Other Expenses	31	1,393.88	1,456.35
Total Expenses		4,776.52	4,468.14
Profit/(Loss) before exceptional items and tax		(733.70)	(487.39)
Exceptional Items	34	-	-
Profit/(Loss) before tax		(733.70)	(487.39)
Tax expense:	32		
(1) Current tax		-	-
(2) Deferred tax Charge/(Credit)		(69.33)	(30.47)
Profit/ (Loss) for the year		(664.38)	(456.92)
Other Comprehensive Income			
A. Items that will not be reclassified to profit or loss			
(i) Gains/(loss) on fair value of investment in Equity Instruments	32.4	0.54	(0.54)
B. Income tax relating to items that will not be reclassified to profit or loss			
(i) Gains/(loss) on fair value of investment in Equity Instruments		0.14	(0.13)
Other comprehensive income for the year (net of tax)		0.68	(0.67)
Total Comprehensive Income for the period (Comprising Profit/ (Loss) and Other Comprehensive Income for the period)		(663.69)	(457.59)
Earnings per Equity Share :	33		
(1) Basic		(0.00)	(0.00)
(2) Diluted		(0.00)	(0.00)

Accompanying Notes on Financial Statements

1 - 4'

These notes are an integral part of the Financial Statements.

5 to 42

For and on behalf of the Board

For B. S. Chandra & Co.

Firm Registration number : 313060E

Chartered Accountants

B.S. Chandra

Bimalendu Sekhar Chandra

Proprietor

Membership No. : 051067

Place: Kolkata

Date:14th August, 2024

[Signature]
(Director)

[Signature]
(Director)

[Signature]
(Company Secretary & Chief Executive Officer)



HASIMARA INDUSTRIES LIMITED
Statement of Changes in Equity as at 31st March, 2024

		(Rs. in Lakhs)
(i) Equity Share Capital		
Particulars	Notes	Total
Balance as at April 1, 2022		100.00
Changes in equity share capital during the year		-
Balance as at March 31, 2023		100.00
Changes in equity share capital during the year		-
Balance as at March 31, 2024		100.00

				(Rs. in Lakhs)
(ii) Other Equity				
Particulars	Reserves and Surplus		Items of Other Comprehensive Income	Total
	General Reserve	Retained Earning	Equity Instruments through other Comprehensive Income	
Balance as at April 1, 2022	92.48	1,271.71	-3.92	1,360.27
Profit / (Loss) for the year	-	-456.92		-456.92
Other Comprehensive Income for the year	-	-	-0.67	-0.67
Balance as at March 31, 2023	92.48	814.79	-4.59	902.68
Profit / (Loss) for the year	-	-664.38		-664.38
Other Comprehensive Income for the year	-	-	0.68	0.68
Balance as at March 31, 2024	92.48	150.41	-3.91	238.98

Refer Note 19.2 for nature and purpose of reserves

Accompanying Notes on Financial Statements 1 - 4'
These notes are an integral part of the Financial Statements. 5 to 42

For B. S. Chandra & Co.
Firm Registration number : 313060E
Chartered Accountants
B.S. Chandra
Bimalendu Sekhar Chandra
Proprietor
Membership No. : 051067
Place: Kolkata
Date: 14th August, 2024

For and on behalf of the Board

S. Sekhar
(Director)

S. Sekhar
(Director)

S. Sekhar
(Company Secretary & Chief Executive Officer)



HASIMARA INDUSTRIES LIMITED

Statement of Cash Flow for the year ended 31st March, 2024

(Rs. in Lakhs)

Particulars	Note No	2023-24 Rs.	2022-23 Rs.
A. Cash Flow from Operating Activities :			
Net Profit before Tax		(733.70)	(487.39)
Adjustments for :			
Depreciation		124.95	141.38
Interest Paid		174.18	119.75
Interest / Dividend received		(3.42)	(8.19)
(Profit) / Loss on Sale of Investments (Net)		0.12	-
Sundry Credit Balance written back		(3.56)	(0.08)
Operating Profit before working capital changes		(441.43)	(234.53)
Adjustments for :			
(Increase) / Decrease in Trade and Other receivables		7.24	19.18
(Increase) / Decrease in Inventories		126.26	(128.74)
Increase / (Decrease) in Payables		257.33	156.07
Cash generated from operations		(50.60)	(188.02)
Direct Taxes paid		(3.98)	70.54
Net Cash flow from operating activities		(54.58)	(117.48)
B. Cash Flow from Investing Activities :			
Purchase of fixed assets		(245.67)	(414.86)
Proceeds from Sale of Investments		0.47	-
Interest / Dividend received		3.42	8.19
Net cash (used in) / from Investing activities		(241.78)	(406.67)
C. Cash Flow from Financing Activities :			
Proceeds from Long Term Borrowing (net)		358.72	98.49
Proceeds from Short Term Borrowing (net)		129.11	195.39
Interest Paid		(174.18)	(119.75)
Net cash (used in) / from financing activities		313.65	174.13
Net (Decrease) / Increase in cash and cash equivalents		17.29	(350.01)
Cash and Cash Equivalents as at beginning of the Year	13	12.05	362.05
Cash and Cash Equivalents as at end of the Year	13	29.34	12.05

Reconciliation of Liabilities arising from Financing activities

Particulars	As at 31st March 2023	Proceeds raised	Repayment	Non-Cash Changes	As at 31st March 2024
Long Term Borrowings	686.09	476.50	175.00	22.22	1,009.80
Short Term Borrowings	1,018.20	140.70	11.59	-	1,147.31
Total	1,704.29	617.20	186.59	22.22	2,157.11

Note:-

1. The above Cash Flow Statement has been compiled/prepared based on the audited accounts of the Company under the "Indirect Method" as set out in the Indian Accounting Standard - 7 on Statement of Cash Flows.

Accompanying Notes on Financial Statements 1 - 4'
These notes are an integral part of the Financial Statements. 5 to 42

For B. S. Chandra & Co.
Firm Registration number : 313060E
Chartered Accountants
B.S. Chandra
Bimalendu Sekhar Chandra
Proprietor
Membership No. : 051067
Place: Kolkata
Date: 14th August, 2024

For and on behalf of the Board

[Signature]
(Director)

[Signature]
(Director)

[Signature]
(Company Secretary & Chief Executive Officer)



HASIMARA INDUSTRIES LIMITED
Notes to Financial Statements as at March 31, 2024

5.1 Property Plant and Equipment

Particulars	Buildings	Plant & Equipment	Water Supply	Office Equipment & Furniture	Vehicles	Bearer Plants	Total
(A) Gross Carrying Value							
As at April 1, 2022	272.32	569.95	215.58	36.33	108.58	1,615.11	2,817.87
Addition	21.26	165.43	17.03	2.92	8.58	121.62	336.84
Disposal/Adjustments	-	-	-	-	-	-	-
As at March 31, 2023	293.58	735.38	232.61	39.25	117.16	1,736.74	3,154.71
Addition	-	16.84	0.65	1.95	-	65.30	84.75
Disposal/Adjustments	-	-	-	-	-	-	-
As at March 31, 2024	293.58	752.22	233.26	41.20	117.16	1,802.04	3,239.46
(B) Accumulated Depreciation							
As at April 1, 2022	73.41	264.98	87.57	13.41	42.78	166.73	648.88
Charge for the period	11.35	52.75	16.09	4.21	10.73	46.24	141.38
Disposals/Adjustments	-	-	-	-	-	-	-
As at March 31, 2023	84.76	317.74	103.65	17.62	53.51	212.97	790.25
Charge for the period	11.53	53.34	15.73	4.57	10.54	29.24	124.95
Disposals/Adjustments	-	-	-	-	-	-	-
As at March 31, 2024	96.29	371.08	119.39	22.19	64.05	242.21	915.21
(C) Net Book Value (A-B)							
As at March 31, 2023	208.82	417.64	128.95	21.63	63.65	1,523.76	2,364.46
As at March 31, 2024	197.29	381.14	113.87	19.01	53.11	1,559.83	2,324.25

Ageing Schedule as on March 31, 2024

CWIP	Amount in CWIP for a period of				Total
	< 1 year	1-2 years	2-3 years	> 3 years	
Project in progress	61.93	137.09	247.06	-	446.08
Project temporarily suspended	-	-	-	-	-
Total	61.93	137.09	247.06	-	446.08

Ageing Schedule as on March 31, 2023

CWIP	Amount in CWIP for a period of			Total
	< 1 year	1-2 years	> 3 years	
Project in progress	68.88	150.97	65.30	285.15
Project temporarily suspended	-	-	-	-
Total	68.88	150.97	65.30	285.15

Note

Refer Note no 20.1 and 22.1 to Financial Statements in respect of charges created on Property Plant and Equipment against borrowings.



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6 Non - Current Investments
(Fully paid up except otherwise stated)

Particulars	Note No.	As at March 31, 2024		As at March 31, 2023	
		Nos.	Amount in Rs.	Nos.	Amount in Rs.
Investments in Equity Instruments					
Investments designated at Fair value through Other Comprehensive Income					
Quoted					
- Hindustan Unilever Limited (Face Value of Re. 1/- each)	6.1	25	0.57	25	0.64
- Eveready Industries India Limited (Face Value of Re. 5/- each)		500	1.67	500	1.46
- The Tata Power Company Limited (Face Value of Re. 1/- each)		200	0.79	200	0.38
Unquoted					
- Logic Roots Private Limited (Face Value of Rs. 10/- each)		-	-	5	0.05
Investments designated at Fair value through Profit and Loss					
Unquoted					
- ABC Tea Workers Welfare Services-formerly assam Bengal Cereals Limited (Face Value of Rs. 10/- each)		100	0.01	100	0.01
	(A)		3.04		2.54
Investments in Preference Shares					
Investments designated at Fair value through Other Comprehensive Income					
Unquoted					
0.1% Compulsorily Convertible Cumulative Preference Shares	6.1				
- Logic Roots Private Limited (Face Value of Rs. 10/- each)	6.2	-	-	59	0.54
	(B)		-		0.54
Investments in Debentures					
Investments designated at Amortised Cost					
Woodland Hospitals and Medical Research centre		46	0.05	46	0.05
	(C)		0.05		0.05
Investments in Government Securities					
Investments designated at Amortised Cost					
3% 1st Development Loan 1970-75 (Face Value of Rs. 6500/- each) (Matured-due for payment, deposited with Collector of Central Excise, Kolkata as Security against Bond B2)			0.06		0.06
	(D)		0.06		0.06
Total Non- Current Investments (A+B+C+D)			3.14		3.19
Less: Impairment Allowances for investments			-0.06		-0.06
Non Current Investments			3.08		3.13
Aggregate amount of Quoted Investments					
			3.03		2.48
Aggregate amount of Market Value of Quoted Investments					
			3.03		2.48
Aggregate Carrying Value of Unquoted Investments					
			0.11		0.71
Aggregate amount of Impairment in value of Impairments					
			0.06		0.06

Note:

6.1 The Company has made an irrevocable decision to consider equity instrument not held for trading to be recognised at Fair valued through other comprehensive income (FVTOCI).

The Preference shares carries a pre-determined cumulative dividend rate of 0.1% per annum and is convertible in whole or part into Equity Shares at any time before 19 years from the date of issuance of the same. The Preference shares has been redeemed in the current FY 23-24.

6.3 Particulars of Investments as required in terms if Section 186(4) of the Companies Act, 2013 have been disclosed under Note No. 6

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(Rs. in Lakhs)			
7 Current Tax Assets (Net)			
Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Advance Income Tax (Net of provision)		28.74	24.76
Total		28.74	24.76

(Rs. in Lakhs)			
8 Deferred Tax Assets			
Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Deferred Tax Assets		533.04	457.34
Deferred Tax Liabilities		-366.75	-360.51
Deferred Tax Assets (Net)		166.29	96.84

(Rs. in Lakhs)				
Particulars	As at March 31, 2023	Charge/ (Credit) recognised in P/L	Charge/ (Credit) recognised in other comprehensive income	As at March 31, 2024
Deferred Tax Asset				
Unabsorbed Business Loss	456.44	-75.57	-	532.01
Fair valuation of financial assets	0.89	-	-0.14	1.03
Total Deferred Tax Asset	457.33	-75.57	-0.14	533.04
Deferred Tax Liability				
Depreciation Difference	360.51	6.25	-	366.75
Total Deferred Tax Liability	360.51	6.25	-	366.75
Net Deferred Tax Asset	96.83	-69.33	-0.14	166.29

(Rs. in Lakhs)				
Particulars	As at April 1, 2022	Charge/ (Credit) recognised in P/L	Charge/ (Credit) recognised in other comprehensive income	As at March 31, 2023
Deferred Tax Asset				
Unabsorbed Business Loss	406.24	-50.20	-	456.44
Fair valuation of financial assets	1.03	-	0.14	0.89
Total Deferred Tax Asset	407.27	-50.20	0.14	457.33
Deferred Tax Liability				
Depreciation Difference	340.77	19.73	-	360.51
Total Deferred Tax Liability	340.77	19.73	-	360.51
Net Deferred Tax Asset	66.49	-30.47	0.14	96.83

(Rs. in Lakhs)			
Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
9 Other Non Current Assets			
At Amortised Cost			
Government Grant Receivable		29.61	29.61
Security Deposits		14.48	14.20
Total		44.10	43.82

(Rs. in Lakhs)			
Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
10 Inventories (Valued at lower of cost or Net Realisable value)			
Stock of Raw Material (Green Leaves)		15.94	15.58
Stock of Tea		211.12	336.50
Stock of Foodstuff		0.18	-
Stores and Spare Parts		202.34	231.65
Total		429.58	583.73

10.1 Cost of inventory recognised as expense during the year

4,034.03

3,726.16

10.2 Refer Note No 20.1 and 22.1 to Financial Statements in respect of charges created on Inventory against borrowings.

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11 Biological Asset other than Bearer Plant

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
As at Opening Date		40.97	42.25
Increases due to purchases / physical changes		35.41	-
Decreases due to harvest / physical changes		-	15.84
Decreases due to sale / write off		-	-
Net Change in fair value less estimated costs to sell		-7.52	14.56
As at Closing Date		68.86	40.97

11.1 Unharvested tea leaves on bushes as on 31st March 2024 : 2,24,650 Kgs (31st March 2023 -1,20,500 Kgs)

12 Trade Receivable

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Trade Receivable considered good - Unsecured		25.37	26.99
Total		25.37	26.99

12.1 Trade Receivable Ageing as on March 31, 2024

(Rs. in Lakhs)

Particulars	Outstanding for following period from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good	25.37	-	-	-	-	25.37
(ii) Undisputed Trade receivables-considered doubtful	-	-	-	-	-	-
Total	25.37	-	-	-	-	25.37

12.2 Trade Receivable Ageing as on March 31, 2023

(Rs. in Lakhs)

Particulars	Outstanding for following period from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables-considered good	26.99	-	-	-	-	26.99
(ii) Undisputed Trade receivables-considered doubtful	-	-	-	-	-	-
Total	26.99	-	-	-	-	26.99

12.3 Refer Note no 20.1 and 22.1 to Financial Statements in respect of charges created on Trade Receivables against borrowings.

12.4 The company has reviewed its account receivable based on the financial condition of the customer after considering the current economic environment case to case basis. Based on such review, there does not exist such circumstances requiring any impairment in these Financial Statements.

13 Cash and Cash Equivalents

(as certified by the management)

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Balances with banks		-	0.15
In Current accounts		29.34	11.89
Cash on Hand		29.34	12.05

14 Other Bank Balances

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Fixed deposits with Banks (having maturity of more than 3 months)	14.1	35.41	33.37
		35.41	33.37

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HASIMARA INDUSTRIES LIMITED

Notes to Financial Statements as at March 31, 2024

14.1 Kept as lien against issue of Bank guarantee.

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good unless otherwise stated)			
At Amortised Cost			
Loan to bodies Corporate	15.1	12.15	12.15
		12.15	12.15

15.1 Represents loan granted for their business purpose.

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good unless otherwise stated)			
At Amortised Cost			
Loans and Advances to Employees		5.59	6.52
Interest Receivable		-	-
Total		5.59	6.52

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Advances against goods and services		0.42	0.64
Balances with Government Authorities		7.65	10.34
Security Deposits		0.01	0.01
Prepaid Expense		10.89	12.64
Others		2.74	5.06
Total		21.70	28.69

TE. S. K. S. P.



18 Equity Share Capital

Particulars	Note No.	As at March 31, 2024		As at March 31, 2023	
		Number of Shares	Amount in Rs	Number of Shares	Amount in Rs
AUTHORISED SHARE CAPITAL: 10,00,000 Equity Shares of Rs. 10/- each		10.00	100.00	10.00	100.00
ISSUED , SUBSCRIBED AND PAID UP SHARE CAPITAL: Shares issued for payment in cash 3,92,220 Equity Shares of Rs. 10/- each fully paid up		3.92	39.22	3.92	39.22
Shares issued for consideration other than cash 6,07,780 Equity Shares of Rs.10/-each		6.08	60.78	6.08	60.78
		10.00	100.00	10.00	100.00

18.1 Refer Note No. 20.4 for Preference Share Capital

18.2 The Company has only one class of issued shares i.e. Equity Shares having par value of Rs. 10 per share. Each holder of Equity Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

18.3 The Company does not have any Holding Company/ultimate Holding Company.

18.4 There is no movement in the number of shares outstanding at the beginning and at the end of the reporting period.

18.5 Details of Shareholders holding more than 5% equity shares:

Name of shareholders	No. of Shares held as on March 31, 2024	% of Holding	No. of Shares held as on March 31, 2023	% of Holding
Mr. Anirudha Jalan	382,975	38.30	382,975	38.30
Srikrishna Arjun Trading & Investment Company Private Limited	355,544	35.55	355,544	35.55

19 Other Equity

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
General Reserve		92.48	92.48
Retained Earnings		150.41	814.79
Other Comprehensive Income		-3.91	-4.58
Total		238.98	902.69

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HASIMARA INDUSTRIES LIMITED

Notes to Financial Statements as at March 31, 2024

19.1 Refer Statement of Changes in Equity for movement in balances of reserve.

19.2 Nature and Purpose of Reserves :

a) General Reserve :

The General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General Reserve is created by a transfer from one component of equity to another and it will not be reclassified subsequently to Statement of Profit and Loss.

b) Retained Earnings :

Retained earnings generally represent the undistributed profit/amount of accumulated earnings of the company and includes remeasurement gain/losses on defined benefit obligations.

c) Other Comprehensive Income:

Other Comprehensive Income (OCI) represent the balance in equity for items to be accounted under OCI and comprises of the following:

i) Items that will not be reclassified to profit and loss :

The company has elected to recognise changes in the fair value of investments in OCI. This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value.

20 Borrowing

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2024		As at March 31, 2023	
		Non Current	Current	Non Current	Current
Secured- at amortised cost					
Term Loans					
From Banks	20.1	50.00	75.00	125.00	110.00
Vehicle Finance Loan					
From Banks	20.2	18.06	11.59	29.66	11.59
		68.06	86.59	154.66	121.59
Unsecured- at amortised cost					
200000 (March 31, 2019: 100000) issued, subscribed and fully paid up 9% Redeemable Preference Share Capital of Rs. 100/- each.	20.3,20.4,20.5	138.65		124.84	
Loan From Body Corporate					
Loan From Related Party	20.6, 37	716.50		285.00	
		855.15		409.84	
Total		923.21	86.59	564.49	121.59

20.1 Bearing Interest rate 4.00% + Repo rate at present is secured by hypothecation of Crops, Stores, Book Debts and other Assets both present and future and also by Mortgage of Title Deeds by way of first charge over the Company's Tea Estate together with Building, Structures, Immovable Plant and Machinery, Shed etc. both present and future. Also covered by personal guarantee given by one Director rate.

Financial Year	Amount
2024-25	75.00
2025-26	50.00
Total	125.00

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HASIMARA INDUSTRIES LIMITED

Notes to Financial Statements as at March 31, 2024

20.2 Vehicle Loans are secured by hypothecation of vehicles acquired under Car Loan scheme. Rate of interest being ranging from 6.95 % to 7.50% and is repayable at unamortised cost as follows:

Financial Year	Amount
2024-25	11.59
2025-26	11.21
2026-27	6.85
Total	29.66

20.3 The Company has only one class of Preference Shares which is 9% redeemable at a par value of Rs. 100/- each, within a period not exceeding 15 years & 20 years from the date of issue i.e. 25th March, 2010 & 22nd July, 2019 respectively. The preference shareholders have preferential rights vis-a-vis Equity Shareholders of the Company in respect of dividend, repayment in case of winding up or repayment of capital and shall carry voting rights as per the provisions of section 47 (2) of the Companies Act, 2013.

20.4 Authorized Preference Share Capital

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
200000 Preference Shares of 100/- each		200.00	200.00

20.5 Preference Shareholders holding more than 5% preference shares:

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Shareholders holding more than 5% of Preference Share Capital			
Tycoon Tea Company limited		75,000	75,000
Man Prakash Talkies Private Limited		50,000	50,000
Estate of Bina Devi Bajoria		50,000	50,000
Srikrishna Arjun Trading & Investment Company Private Limited		25,000	25,000

20.6 Unsecured Loan at unamortised cost outstanding as on March 31, 2023 carries interest 10% Per annum.

21 Other Non Current Liabilities

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Deferred revenue arising from Government Grants		9.95	11.35
Deferred income on fair valuation of financial instruments		62.99	71.93
Total		72.93	83.28

22 Borrowing

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Loan repayable on demand			
Cash Credit from Bank	22.1	972.31	823.20
Unsecured			
Loan from Bodies Corporate		175.00	25.00
Loan from Related Party	37	-	170.00
Total		1,147.31	1,018.20

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HASIMARA INDUSTRIES LIMITED

Notes to Financial Statements as at March 31, 2024

22.1 Bearing Interest rate 3.70 % + Repo Rate at present is secured by hypothecation of Crops, Stores, Book Debts and other Assets both present and future and also by Mortgage of Title Deeds by way of first charge over the Company's Tea Estate together with Building, Structures, Immovable Plant and Machinery, Shed etc. both present and future. Also covered by personal guarantee given by one Director.

23 Trade Payable

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprise and small enterprises	23.1	-	-
Total outstanding dues of Creditors other than micro enterprises and small enterprises		876.56	664.43
Total		876.56	664.43

Trade Payable Ageing as on March 31, 2024

Particulars	Outstanding for following period from due date of payment				Total
	Less than 1 yrs	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	849.07	27.49	-	-	876.56
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
Total	849.07	27.49	-	-	876.56

23.2 Trade Payable Ageing as on March 31, 2023

Particulars	Outstanding for following period from due date of payment				Total
	Less than 1 yrs	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	656.10	8.33	-	-	664.43
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-
Total	656.10	8.33	-	-	664.43

23.3 Disclosure of sundry creditors under Trade Payables is based on the information available with the Company regarding the status of the suppliers as defined under the Micro, Small and Medium Enterprise Development Act, 2006 (the Act). Disclosure requirement under Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 is given under **Note No. 36**

23.4 Payment towards trade payables is made as per the terms and conditions of the contract of purchase orders. The average credit period on purchases is 120 to 150 days.

24 Other Current Financial Liabilities

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Financial Liabilities at amortised cost Current maturities of Long-term debt		86.59	121.59
Other Payables Interest Accrued and due		41.61	12.47
Total		128.21	134.06

25 Other Current Liabilities

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Statutory dues (includes Goods and Services Tax, PF, ESI, Sales Tax/ VAT, CST Etc.)		103.64	63.13
Deferred revenue arising from Government Grants		1.40	1.40
Deferred income on fair valuation of financial instruments		8.94	8.94
Others		39.33	22.00
Total		153.31	95.48

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HASIMARA INDUSTRIES LIMITED

Notes to Financial Statements for the year ended March 31, 2024

26 REVENUE FROM OPERATIONS

(Rs. in Lakhs)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of Tea		3,981.02	3,950.19
Sale of Tea Waste		14.14	9.76
		3,995.17	3,959.95

27 OTHER INCOME

(Rs. in Lakhs)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Received		3.41	8.18
Amortisation of deferred portion of Financial instruments		8.94	8.94
Government Grant		1.40	1.40
Sundry Receipts		2.56	3.46
Liabilities no Longer required written Back		3.56	0.09
Profit on sale of Investments		-0.12	-
Changes in Fair Value of Biological Assets		27.89	-1.28
Insurance Claim		-	-
Dividend Income		0.01	0.01
		47.65	20.80

28 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE

(Rs. in Lakhs)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Stock			
Agriculture Produce		15.58	12.39
Tea		336.50	150.46
		352.08	162.85
Closing Stock			
Agriculture Produce		15.94	15.58
Tea		211.12	336.50
		227.06	352.08
(Increase)/ Decrease in Inventories of Finished Goods, Work in Progress and Stock in Trade		125.02	-189.23

29 EMPLOYEE BENEFITS EXPENSE

(Rs. in Lakhs)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and Wages		2,629.30	2,660.95
Contribution to Provident and other Funds		230.57	193.59
Staff Welfare expense		98.61	85.35
		2,958.49	2,939.89

30 FINANCE COSTS

(Rs. in Lakhs)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Expense		160.37	107.27
Interest Expense on Financial liabilities measured at amortised costs		13.81	12.47
		174.18	119.75

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HASIMARA INDUSTRIES LIMITED

Notes to Financial Statements for the year ended March 31, 2024

31 OTHER EXPENSES

(Rs. in Lakhs)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
Consumption of Stores, Spare Parts and Packing Materials		534.95	430.89
Power and fuel		508.29	609.82
Rent		0.92	0.09
Repairs and maintenance:		-	-
Buildings		16.85	30.61
Plant and machinery		47.42	52.93
Others		1.39	2.40
Insurance		13.77	12.86
Rates and taxes		4.55	5.22
Directors' fees		0.09	0.14
Legal and professional charges		15.77	24.76
Freight Charges		16.07	20.69
Vehicle Expenses		61.94	72.65
Administrative charges		41.99	39.15
Audit Fees	31.1	1.10	1.30
Brokerage and Selling commission		40.11	39.49
Travelling and conveyance		17.62	31.44
Selling and Distribution expenses		15.92	17.23
Subscription		11.65	14.05
Miscellaneous Expenses		43.47	49.80
		1,393.88	1,456.35

31.1 Payment to auditors:

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
Statutory Audit		0.55	0.55
Tax Audit		0.15	0.15
Internal Audit		0.40	0.40
Stock Audit		-	0.20
		1.10	1.30

32 TAX EXPENSES-CURRENT TAX

(Rs. in Lakhs)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax		-	-
Agricultural Income tax relating to earlier years		-	-
		-	-

32.1 Components of Tax Expense

(Rs. in Lakhs)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
In respect of Earlier Year			
Deferred Tax		-69.33	(30.47)
Total Tax expense recognised in the current year in the Statement of Profit and Loss		-69.33	-30.47

32.2 Reconciliation of Income tax expense for the year with accounting profit is as follows :

Taxable Income differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Details in this respect are as follows :

(Rs. in Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit/(loss) before tax	-733.70	-487.39
Income tax expense calculated at 26% (25.75%)	-	-
Add: Effect of Expenses that are not deductible in determining taxable profit		
Effect of Loss	75.57	50.20
Effect of Other adjustment	-	-
Less : Effect of Expense/Income that are deductible/not taxable in determining taxable profit		
Effect of Depreciation Difference	6.25	19.73
	69.33	30.47

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32.3 Income tax recognized in Other Comprehensive income

(Rs. in Lakhs)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
Deferred tax charge on			
Gains/(loss) on fair value of investment in Equity Instruments		0.14	-0.13
Income tax recognized in Other Comprehensive Income		0.14	-0.13
Bifurcation of the income tax recognized in Other comprehensive income into : Items that will not be reclassified to profit or loss		0.14	-0.13

32.4 Components of Other Comprehensive Income

(Rs. in Lakhs)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
Items that will not be reclassified to statement of profit or loss			
Gains/(loss) on fair value of investment in Equity Instruments (net of tax)		0.68	-0.66
		0.68	-0.66

33 Earnings per Share

(Rs. in Lakhs)

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit /(Loss) after Tax		-664.38	-456.92
Weighted Average number of Equity shares in calculating Basic and Diluted EPS (b)		1,000,000	1,000,000
Basic and Diluted EPS (a/b)		-66.44	(45.69)

34 Segment Information

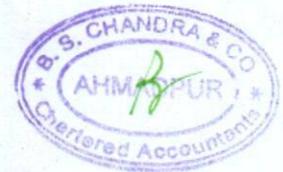
Consequent to the adoption of Ind AS, the Company has identified one operating segment viz, "Tea" which is consistent with the internal reporting provided to the chief executive officer, who is the chief operating decision maker.

The Company deals in only one product i.e., Tea. The products and their applications are homogenous in nature.

34.1 Information about Major Customer

Revenue in respect of tea include sale to two companies pertaining to the manufacture and selling of tea which account for more than 10% in each case and Rs. 18,84,50,316/- (March 31,2023-Rs. 19,76,92,859/-) in aggregate of the total revenue of the company.

Tea 884 8



35 Contingent Liabilities, Contingent Assets and Commitments (to the extent not provided for)

35.1 Contingent Liabilities

The Company has no pending litigation with respect to claim against the company and proceedings pending with tax/statutory/Government Authorities.

35.2 Capital Commitments - Rs. Nil (Previous year - Rs. Nil)

35.3 Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. During the normal course of business, several unresolved claims are currently outstanding. The inflow of economic benefits, in respect of such claims cannot be measured due to uncertainties that surround the related events and circumstances.

36 Disclosure related to Micro, small and medium enterprises are as follows:-

(Rs. in Lakhs)

Particulars	2023-24	2022-23
(a) The Principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year	-	-
(b) The amount of the interest paid by the buyer in terms of section 16 of MSMED Act, along with the amount of the payment made to the supplier beyond the appointed date during each accounting year.	-	-
(c) The amount of the interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
(d) The amount of Interest accrued and remaining unpaid at the end of each accounting year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act 2006.	-	-

37 Related party disclosure as identified by the management in accordance with the Indian Accounting Standard (Ind AS) 24 on "Related Party Disclosures" are as follows :

(A) Names of related parties and nature of relationship	
a) Associate	Srikrishna Arjun Trading and Investment Company Private Limited
b) Key Managerial Personnel and their relatives	Mr. S. P. Jalan Mr. Anirudha Jalan (Son of Director)
c) Enterprises over which any person described in (b) above is able to exercise significant influence and with whom the Company has transaction during the year.	Tyroon Tea Company Limited Man Prakash Talkies Pvt. Ltd.

Aggregate amount of transactions with related parties:

(Rs. in Lakhs)

i) Nature of Transaction	For The Year Ended 31.03.2024	For The Year Ended 31.03.2023
Director's Fees	0.03	0.04
Remuneration paid to Anirudha Jalan	21.26	20.23
Interest Paid :		
Tyroon Tea Company Limited	35.93	1.75
Man Prakash Talkies Pvt. Ltd.	-	5.60
Sri Prakash Jalan	0.30	-
Anirudha Jalan	0.60	-
ShriKrishna Arjun Trading and Investment Co. Pvt. Ltd.	9.53	8.93

Balances of Related parties is as follows:

(Rs. in Lakhs)

Particulars	As at 31st March, 2024	As at 31st March, 2023
ii) Balance outstanding -		
i) Loans taken		
Tyroon Tea Company Limited	381.50	285.00
Man Prakash Talkies Pvt. Ltd.	70.00	70.00
Sri Prakash Jalan	50.00	-
Anirudha Jalan	120.00	-
ShriKrishna Arjun Trading and Investment Co. Pvt. Ltd.	95.00	100.00

Details of compensation paid to KMP during the year are as follows :

(Rs. in Lakhs)

Particulars	For The Year Ended 31.03.2024	For The Year Ended 31.03.2023
Short Term Employee Benefits	21.26	20.23

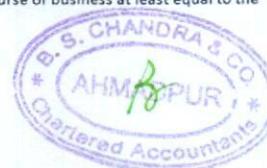
* Post-employment benefits and other long-term benefits have been disclosed based on actual payment made on retirement/resignation of services.

Note:

(i) The above related party information is as identified by the management and relied upon by the auditor.

38 Actuarial valuation of the year end gratuity liability in terms of Indian Accounting Standard (Ind AS-19) on "Employee Benefits" up to 31.3.2024 has not been carried out. In absence of such valuation the amount of provision required to be made in this respect could not be ascertained and necessary disclosures could not be made. However as per the practice followed by the Company such liability is provided for on becoming due for payments.

39 In the opinion of the Board, the assets other than fixed and non-current investments have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated.



40 FINANCIAL INSTRUMENTS

The accounting classification of each category of financial instrument, their carrying amount and fair value are as follows :-

(Rs. in Lakhs)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets				
Break up of financial assets carried at amortised cost				
Trade receivable	25.37	25.37	26.99	26.99
Cash and Cash Equivalents	29.34	29.34	12.05	12.05
Other Bank Balances	35.41	35.41	33.37	33.37
Loans	12.15	12.15	12.15	12.15
Investments	0.05	0.05	0.05	0.05
Others	5.59	5.59	6.52	6.52
Total financial assets carried at amortised cost	107.90	107.90	91.13	91.13
Break up of financial assets at fair value through profit or loss				
Investments				
-Non-current	0.01	0.01	0.01	0.01
-Current	-	-	-	-
Total financial assets carried at fair value through profit or loss	0.01	0.01	0.01	0.01
Break up of financial assets at fair value through Other comprehensive Income				
Investments				
-Non-current	3.03	3.03	3.08	3.08
Total financial assets carried at fair value through Other comp	3.03	3.03	3.08	3.08
Financial Liabilities				
Break up of financial liabilities carried at amortised cost				
Borrowings	2,157.11	2,157.11	1,704.29	1,704.29
Trade payable	876.56	876.56	664.43	664.43
Total financial liabilities carried at fair value at amortised cost	3,033.68	3,033.68	2,368.72	2,368.72

Fair Valuation Techniques

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values:

The fair value of cash and cash equivalents, other bank balances, current trade receivables and payables, other current financial liabilities and assets approximate their carrying amount largely due to the short-term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the financial statements approximate their fair values.

Fair value of investment in unquoted Cumulative Redeemable Preference Share and security deposit have been determined based on Effective interest Rate method(EIR) and differential thereof has been recognised as deferred loss/gain and to be recognised to profit and loss over the tenure of the instrument .

Investments traded in active market are determined by reference to the quotes from the Stock exchanges as at the reporting date. Investments in liquid and short-term mutual funds are measured using quoted market prices at the reporting date multiplied by the quantity held. Unquoted investments in shares have been valued based on the historical net asset value as per the latest audited financial statements.

Fair Value hierarchy

Particulars	As at 31st March 2024	Fair Value measurements at reporting date using		
		Level 1	Level 2	Level 3
Financial Asset				
Investment in Equity Instruments	3.04	3.03	-	0.01
	(2.54)	2.48	-	0.06
Investment in Preference Shares	-	-	-	-
	[0.55]	-	-	0.55

(*) Figures in round brackets [] indicate figures as at March 31, 2023

During the year ended March 31, 2024 and March 31, 2023, there were no transfers between Level 1, Level 2 and Level 3

The Inputs used in fair valuation measurement are as follows :

Fair valuation of Financial assets and liabilities not within the operating cycle of the company is amortised based on the borrowing rate of the company.

Unquoted investments in shares have been valued based on the amount available to shareholder's as per the latest audited financial statements. There were no external unobservable inputs or assumption used in such valuation.

Financial risk factors

The Company's financial liabilities comprise mainly of borrowings, trade and other payables. The Company's financial assets comprise mainly of cash and cash equivalents, other balances with banks including trade receivables and other receivables, Deposits and Investments.

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Company's senior management oversees the management of these risks. The Board of Director reviews and agrees policies for managing each of these risks, which are summarised below:



HASIMARA INDUSTRIES LIMITED

Notes to Financial Statements for the year ended March 31, 2024

Market risk

The Company's business is primarily agricultural in nature, exposes it to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of adverse weather conditions and lack of future markets. The Company closely monitors the changes in market conditions and select the sales strategies to mitigate its exposure to risk.

Interest rate risk

The company's exposure in market risk relating to change in interest rate primarily arises from floating rate borrowing with banks and others. Interest rate risks is measured by using the cash flow sensitivity for changes in variable interest rates. Any movement in the reference rates could have an impact on the company's cash flows as well as costs. There are certain borrowings at fixed interest rate which exposes the company to the fair value interest rate risk, however exposure in such borrowings is not significant. Further there are deposits with banks which are for short term period and are exposed to interest rate risk, falling due for renewal. With all other variables held constant, the following table demonstrates the impact of the borrowing cost on the Profit or Loss with respect to floating rate portion of loans and borrowings.

Nature of Borrowing	Increase in basis points	For the year ended March 31, 2024	For the year ended March 31, 2023
Term Loan	+0.50	161.17	107.81

Credit risks

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and other financial assets including deposits with Bank. Exposure to credit risk is monitored on an ongoing basis. The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable.

The Company's exposure of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties. The credit risk of the Company is low as the Company largely sells its teas through the auction system which is on cash and carry basis .

Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund based working capital loans from banks. The company relies on borrowings and internal accruals to meet its fund requirement. The current committed line of credit are sufficient to meet its short to medium term fund requirement.

The following tables detail the Company's contractual maturity for its non derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows as at balance sheet date:

Maturity Analysis of unamortised Financial Liabilities

As of March 31, 2024						(Rs. in Lakhs)
Particulars	Carrying Value	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Trade Payables	876.56		849.07		27.49	876.57
Borrowings	2,157.11	1,147.31	43.30	43.30	933.21	2,167.11
Other Financial Liabilities	128.21	128.21				128.21
Total	3,162.88	1,275.52	892.37	43.30	960.70	3,171.89

As of March 31, 2023						(Rs. in Lakhs)
Particulars	Carrying Value	On Demand	Less than 6 months	6 to 12 months	> 1 year	Total
Trade Payables	664.43		656.10		8.33	664.43
Borrowings	1,704.29	848.20	60.80	60.80	759.49	1,729.29
Other Financial Liabilities	134.06	134.06				134.06
Total	2,502.78	982.26	716.90	60.80	767.82	2,527.78

The company has current financial assets which will be realised in ordinary course of business. The Company ensures that it has sufficient cash on demand to meet expected operational expenses.

The company relies on operating cash flows to meet its need for funds and ensures that it does not breach any financial covenants stipulated by the lender.

Capital Management

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business and maximise shareholder value. The Company's objective when managing capital is to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stake holders. The Company is focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without where the risk profile of the Company.

Gearing Ratio

The gearing ratio are as follows :

Particulars	(Rs. in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Borrowings	2,157.11	1,704.29
Less: Cash and Cash Equivalents	29.34	12.05
Net Debt	2,127.77	1,692.24
Equity	100.00	100.00
Equity and Net Debt	2,227.77	1,792.24
Gearing Ratio	0.96	0.94

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HASIMARA INDUSTRIES LIMITED

Notes to Financial Statements for the year ended March 31, 2024

41 RATIO

Particulars	Year Ended March 31, 2024	Year Ended March 31, 2023	% Variance
Current Ratio §	0.27	0.43	-37.21%
[Current Assets/Current Liabilities]			
Debt-Equity Ratio >	12.73	1.90	570.00%
[Total Debt/Equity]			
Debt-Service Coverage Ratio #	-2.31	-1.71	35.09%
[EBIT/Int. on Borrowing + Repayment of Borrowing]			
Return on Equity Ratio &	-1.96	-0.46	326.09%
[PAT/Net Worth]			
Inventory Turnover Ratio <	14.59	16.26	-10.27%
[Sales/Avg. Inventory]			
Trade Receivable Turnover Ratio \	152.61	176.81	-13.69%
[Net Credit Sale/Avg. Trade Receivable]			
Trade Payable Turnover Ratio "	2.48	4.36	-43.12%
[Cost of Material Consumed/Avg. Trade Payable]			
Net Capital Turnover Ratio /	-2.38	-4.07	-41.52%
[Net Sales/Working Capital]			
Net Profit Ratio *	-0.17	-0.12	41.67%
[PAT/Sales]			
Return on Capital Employed ^	-0.27	-0.16	68.75%
[PBT+Finance Cost-Other Income/Capital Employed]			
Return on Investment	-1.65	-0.37	345.95%
[PBIT /Equity]			

§ Current Ratio has decreased due to increase in Borrowings

> Debt-Equity Ratio has increased due to increase in debt and incurring loss in the current year.

Debt Service Coverage Ratio has reduced due to loss in current year

& Return on Equity is reduced due to loss incurred during current year i.e. FY 23-24

< Inventory Turnover Ratio has reduced due to reduction in sales

\ Trade Receivable Turnover Ratio has reduced due to decrease in Sales

" Reduction in Trade Payable Turnover ratio is due to increase in outstanding in the current year.

/ Decrease in ratio is due to movement in Cash & Cash Equivalent and increase in short term liabilities.

* Net Profit Ratio reduced due to change in Inventory and higher finance cost in the current year.

^ Return on Capital Employed reduced due to loss in the current year & increase in borrowing

| Reduction in ROI due to Loss in the current year and decrease in equity.

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42 Fair value measurements for biological assets other than bearer plants

The following table gives the information about how the fair value of the biological assets are determined:

(Rs. in Lakhs)

Biological Asset	Fair Value		Fair Value Hierarchy	Valuation techniques and Key Inputs
	As at .31st March, 2024	As at .31st March, 2023		
Unharvested Tea Leaves	15.94	15.58	Level 2	Fair value is being arrived at based on the observable market prices of made tea adjusted for manufacturing costs. The same is applied on quantity of the tea leaves unharvested using plucking averages of various fields.

43 Previous figures have been regrouped wherever necessary to confirm with financial statements.

Accompanying Notes on Financial Statements 1 - 4'
These notes are an integral part of the Financial Statements. 5 to 42

For B. S. Chandra & Co.
Firm Registration number : 313060E
Chartered Accountants
B. S. Chandra
Bimalendu Sekhar Chandra
Proprietor
Membership No. : 051067
Place: Kolkata
Date:14th August, 2024

For and on behalf of the Board
[Signature] (Director)
[Signature] (Director)
[Signature]
(Company Secretary & Chief Executive Officer)



1. CORPORATE INFORMATION

Hasimara Industries Limited is a public limited company domiciled and incorporated in India having its registered office at 3, Netaji Subhas Road, Kolkata – 700001. The company's shares are listed and publicly traded on the CSE Limited. The Company is engaged in cultivation, manufacture and sale of tea.

2. STATEMENT OF COMPLIANCE AND RECENT PRONOUNCEMENTS

1. Statement of Compliance

These financial statements are prepared on going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 to the extent notified and applicable.

Accounting policies have been consistently applied except where a newly issued Indian Accounting Standard is initially adopted or a revision to when existing main accounting standard requires a change in the accounting policies hitherto in use.

3. SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements have been prepared under the historical cost convention on accrual basis excepting certain financial instruments which are measured in terms of relevant Ind AS at fair value/ amortized costs at the end of each reporting period.

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

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS 1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest rupee except otherwise stated.

2. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The company categorizes assets and liabilities measured at fair value into one of the three levels depending on the ability to observe inputs employed in their measurements which are described as follows:

- (a) Level 1 inputs are quoted prices (unadjusted) in active market for identical assets or liabilities
- (b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability
- (c) Level 3 inputs are unobservable inputs for assets or liability reflecting significant magnifications to observable related market data or company's assumptions about pricing by market participants.

3. PROPERTY PLANT AND EQUIPMENTS

TANGIBLE ASSETS (Other than Bearer Plants)



Property, Plant and Equipment are stated at cost of acquisition, construction and subsequent improvements thereto less accumulated depreciation and impairment losses, if any. For this purpose cost include deemed cost on the date of transition and comprises purchase price of assets or its construction cost including duties and taxes, inward freight and other expenses incidental to acquisition or installation and adjustment for exchange differences wherever applicable and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended for its use. Interest on Borrowings used to finance the construction of qualifying assets are capitalized as part of cost of the asset until such time that the asset is ready for its intended use.

Parts of an item of Property, Plant and Equipment having different useful lives and material value and subsequent expenditure on Property, Plant and Equipment arising on account of capital improvement or other factors are accounted for as separate components.

Property, Plant and Equipment includes spare, stand by equipments and servicing equipments which are expected to be use for a period more than twelve months and meets the recognition criteria of Plant, Property and Equipment. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss when incurred.

Capital work in progress includes purchase price, import duty and any directly attributable cost of bringing the assets to their working condition, trial run expenses and interest attributable up to the date of installation. Such items are classified to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use.

Depreciation

Items of Property, Plant and Equipment are depreciated in a manner that amortizes the cost of the assets less its residual value, over their useful lives on a straight line basis. Estimated useful lives of the assets are as follows-

Office Equipment	3-6
Building	5-60
Plant and equipment	15
Vehicle	8-10
Water Supply System	15
Irrigation Equipments	15
Furniture & Fixture	10

These are as specified in Schedule II of the Companies Act, 2013.

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

DERECOGNITION OF TANGIBLE AND INTANGIBLE ASSETS

An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

IMPAIRMENT OF TANGIBLE ASSETS

Tangible and Intangible assets are reviewed at each Balance Sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying

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amount that have been determined net of depreciation had no impairment loss been recognized for the asset in prior years.

BEARER PLANTS

Bearer plants comprising of mature tea bushes and shade trees are stated at cost less accumulated depreciation and accumulated impairment losses.

Immature bearer plants, including the cost incurred for procurement of new seeds and maintenance of nurseries are carried at cost less any recognized impairment losses under capital work-in-progress. Cost includes the cost of land preparation, new planting and maintenance of newly planted bushes until maturity. On maturity these costs are classified under bearer plants. Depreciation of bearer plants commence on maturity.

Costs incurred for infilling including block infilling are generally recognized in the Statement of Profit and Loss unless there is a significant increase in the yield of the sections in which case such costs are capitalized and depreciated over the remaining useful life of the respective sections.

Depreciation on bearer plants is recognised so as to write off its cost over useful lives using the straight-line method. The estimated useful lives residual values and depreciation method are reviewed at the end of each reporting period with the effect of any change in estimate accounted for on a prospective basis.

Estimated useful lives of the bearer plants has been determined to be 70 years.

4. FINANCIAL INSTRUMENTS

Financial Assets and Financial Liabilities (financial instruments) are recognised when the Company becomes a party to the contractual provisions of the instruments.

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

The financial assets and financial liabilities are classified as current if they are expected to be realized or settled within operating cycle of the company or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortized Cost, at Fair Value through Profit and Loss (FVTPL) or at Fair Value through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

i) Cash and Cash Equivalents

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

ii) Financial Assets and Financial Liabilities measured at amortised cost

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

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.



The effective interest rate is the rate that discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

iii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

iv) For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

v) Financial Assets or Liabilities at Fair value through profit or loss

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

vi) Impairment of financial assets

A financial asset is assessed for impairment at each Balance Sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

vii) Derecognition of financial instruments

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the assets's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On derecognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

5. BIOLOGICAL ASSETS AND AGRICULTURAL PRODUCE

(i) Biological Assets

Biological assets of the Company comprises of unharvested green tea leaves that are classified as current biological assets and livestock for breeding purpose, classified as non-current biological assets.

The Company recognizes biological assets when, and only when, the Company controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the Company and the fair value or cost of the assets can be measured reliably. Expenditure incurred on biological assets are measured on initial recognition and at the end of each reporting period at its fair

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value less costs to sell. The gain or loss arising from a change in fair value less costs to sell of biological assets are included in statement of profit and loss for the period in which it arises.

(ii) Agricultural Produce

The Company recognizes agricultural produce when, and only when, the Company controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the Company and the fair value or cost of the assets can be measured reliably. Agricultural produce harvested from the Company's biological assets are valued at fair value less cost to sell at the point of harvest. A gain or loss arising on initial recognition of agricultural produce at fair value less costs to sell shall be included in Statement of profit and loss for the period in which it arises.

The Company's agricultural produce comprises of green leaves plucked from its tea estates.

6. INVENTORIES

Inventories are valued at cost or net realizable value whichever is lower. Cost in respect of finished product is determined on average cost basis and represents works cost and appropriate portion of overheads.

Cost in respect of Stores and Spares and Foodstuff is computed on FIFO basis.

Goods and Service Tax /Tea Cess/ Education Cess if any leviable/ payable on closing stock of Tea is provided and included in valuation of closing stock.

Provision is made for obsolete, slow moving and defective inventories, whenever necessary.

7. GOVERNMENT GRANTS

Government grants are not recognized until there is reasonable assurance that the company will comply with the conditions attaching to them and that the grant will be received.

Government grants that are receivable as a compensation for expenses or losses incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognized in the profit loss in the period in which they become receivable.

8. EQUITY SHARE CAPITAL

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

9. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS.

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognised for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities are not recognized but are disclosed by way of notes to the financial statements 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 when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made. Contingent assets are not recognised but disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

10. REVENUE RECOGNITION



(i) Sales is recognised in the accounts on passing of title of goods i.e. delivery as per terms of sale or on completion of auction in case of auction sale.

(ii) This represents the net invoice value of goods supplied after deducting discounts, rebates and taxes and duties collected on behalf of third parties and are inclusive of excise and other duties which the company pays as principal.

11. EMPLOYEE BENEFITS

Short term Employee benefits are accrued in the year services are rendered by the employees.

Provident and Family Pension Fund: In accordance with the provisions of the Employee Provident Funds and Miscellaneous Provisions Act, 1952, eligible employees of the company are entitled to receive benefits with respect to provident fund, a defined contribution plan, in which both the company and employee contribute monthly to Provident Fund Scheme the Central Government at a determined rate. The Company's contribution is charged off to the Statement of Profit and Loss.

Gratuities are accounted for on cash basis. The Company's contribution to the Superannuation Fund applicable to its executives and Head Office staff is made under Master Policy of Life Insurance Corporation of India and are charged against revenues.

The Company pays leave encashment benefit to the employees on retirement as per prevailing policy.

12. FOREIGN EXCHANGE TRANSACTION

These financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the company.

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate as at the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the statement of profit and loss.

13. SUBSIDY

Tea Replantation subsidy and other subsidies is accounted for on acceptance/receipt by/from the concerned authorities.

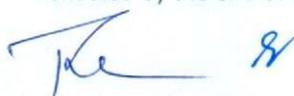
14. BORROWING COST

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant Equipment (PPE) which is capitalized to the cost of the related assets. A qualifying PPE is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

15. TAXES ON INCOME

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.



Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

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

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets include Minimum Alternative Tax (MAT) measured in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability and such benefit can be measured reliably and it is probable that the future economic benefit associated with same will be realized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

16. SEGMENT REPORTING

Operating segments are identified and reported taking into account the different risk and return, organisation structure and internal reporting system.

4. Critical accounting judgments, assumptions and key sources of estimation and uncertainty

The preparation of the financial statements in conformity with the measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation uncertainty at the Balance Sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

A. Depreciation and Impairment on Property, Plant and Equipment.

Property, Plant and Equipment and Intangible assets are depreciated/ amortized on Straight Line Basis/Written Down Value Basis over the estimated useful lives (or lease term, if shorter) in accordance with Schedule II of the Companies Act, 2013, taking into account the estimated residual value, wherever applicable.

The company reviews its carrying value of its Tangible and Intangible Assets whenever there is objective evidence that the assets are impaired. In such situation assets recoverable amount is estimated which is higher of asset's or cash generating units (CGU) fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre-tax discount rate which reflects the current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered or otherwise in absence of such transactions appropriate valuations are adopted. The Company reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation / amortization and amount of impairment expense to be recorded during any reporting period. This reassessment may result in change estimated in future periods.

B. Impairment allowances on trade receivables

The Company evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment allowance as a result of the inability of the customers to make required payments. The Company bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the trade receivables and historical write-off experience. If the financial conditions of the trade receivable were to deteriorate, actual write-offs would be higher than estimated.

C. Income taxes

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes.

D. Defined benefit obligation (DBO)

Critical estimate of the DBO involves a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate, anticipation of future salary increases etc. as estimated by Independent Actuary appointed for this purpose by the Management. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

E. Provisions and Contingencies

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations/ against the Company as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to take account of changing facts and circumstances.



