



Date: 10<sup>th</sup> September, 2025

To,  
The Manager,  
Listing & Compliance Department,  
National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1,  
G Block, Bandra-Kurla Complex, Bandra,  
Mumbai- 400051.

Company ID: JAKHARIA      ISIN: INE00N401018

**Sub: Annual Report for the Financial Year 2024-25**

Dear Sir/ Madam,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we have attached herewith the Annual Report for the Financial year 2024-25.

This is for your information and record. Kindly acknowledge receipt.

Thanking You,

Yours faithfully,

**For JAKHARIA FABRIC LIMITED**

**Bhavin Waghela**  
**Company Secretary and Compliance Officer**  
**Membership No. A46806**

*Encl.: Annual Report for FY 2024-25.*

**Jakharia Fabric Limited**  
**CIN - L17200MH2007PLC171939**  
**Regd. office: Plot no. A-13, MIDC, Tarapur,**  
**Boisar, Palghar – 401506, Maharashtra**

**02522 278892 | +91 9820128583**  
**info@jakhariafabric.com**  
**www.jakhariafabric.com**



**Jakharia**

Spinning your stories

**JAKHARIA FABRIC LIMITED**

CIN: L17200MH2007PLC171939

**18<sup>th</sup> ANNUAL REPORT**

**2024-2025**

**CORPORATE INFORMATION****BOARD OF DIRECTORS:**

Nitin K. Shah – Chairman & Managing Director  
Sejal Nitin Shah - Executive Director

**STATUTORY AUDITORS:**

Shah Shroff & Associates  
Chartered Accountants

**INDEPENDENT DIRECTORS:**

Mukul Vora- Non-Executive Independent Director  
Ajitsingh Ghorpade<sup>1</sup> - Non – Executive Independent Director  
Jawahar Desai- Non – Executive Independent Director  
Ronak Mistry<sup>2</sup> - Non – Executive Independent Director

**SECRETARIAL AUDITORS:**

Nagdev & Associates  
Practicing Company Secretaries

**INTERNAL AUDITORS:**

M/S. R M F & CO.  
Chartered Accountants

**KEY MANAGERIAL PERSONNEL:**

Manojkumar Tiwari- Chief Financial Officer  
Vijay Thakkar<sup>3</sup>- Company Secretary & Compliance Officer  
Bhavin Waghela<sup>4</sup> – Company Secretary & Compliance Officer

**REGISTRAR AND TRANSFER AGENTS:**

Bigshare Services Private Limited

Listed at (SME Platform)

National Stock Exchange of India Limited (NSE  
EMERGE)

Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra  
(E), Mumbai - 400 051.

**BANKERS TO THE COMPANY:**

Kotak Mahindra Bank Ltd.  
HDFC Bank Limited

**REGISTERED & UNIT OFFICE:**

Plot No A 13, MIDC Tarapur, Boisar District –  
Palghar 401 506.

Tel No: +91-25-2227 8892

Email: [info@jakhariafabric.com](mailto:info@jakhariafabric.com)

Website: [www.jakhariafabric.com](http://www.jakhariafabric.com)

<sup>1</sup>Mr. Ajitsingh Ghorpade resigned on 01/05/2025 as Non – Executive Independent Director

<sup>2</sup>Mr. Ronak Mistry appointed on 01/05/2025 as Additional Director (Non - Executive Independent Director)

<sup>3</sup>Mr. Vijay Thakkar resigned as Company Secretary & Compliance Officer on 06/08/2024

<sup>4</sup>Mr. Bhavin Waghela has appointed as Company Secretary & Compliance Officer on 10/08/2024

### CHAIRMAN'S MESSAGE



Dear Shareholders,

I am delighted to connect with all of you albeit in a virtual setting. On behalf of board of directors, I extend heartfelt gratitude to each one of you for taking the time to join us today. Your unwavering trust, encouragement and wholehearted support to the company and its management are deeply appreciated.

I trust that you have received the company's Annual report and Audited accounts for the year ended March 31, 2025. With your kind permission, I consider them as read.

At Jakharia Fabric Ltd., this year saw a major change in the management structure. The family of promoters entered into an arrangement which has been approved by the shareholders and intimated to the stock exchange. Broadly, the family arrangement has separated and compartmentalized the ownership, management and control of different "Jakharia Group Entities" and distributed the same in 3 different group as defined in the family settlement arrangement. Financially 2 major transactions were completed which were emanating from family settlement; (1) Unit of Sarvali has been hived-off (2) selling off the investment in partnership M/s Jakharia Industries. The necessary approval of shareholders as also intimation to stock exchange has been undertaken towards this transaction also. The operational performance of the company also underwent a rejig. Since the unit of Sarvali was hived-off, the business to that extent was lower.

The Management is glad to inform that, the capacity expansion during the current year is completed and started yielding business. We remain confident in our ability to deliver sustainable, long-term growth by combining disciplined execution with innovation and a customer first approach. As we scale operations and broaden our market presence, our focus remain on preserving healthy gross margin building a resilient, future ready business.

With best wishes,

Sincerely,

For JAKHARIA FABRIC LIMITED

Sd/-

Nitin Shah

Chairman & Managing Director

(DIN: 01869318)



## DIRECTOR'S REPORT

Dear Members,

Your Directors have pleasure in presenting the 18<sup>th</sup> Annual Report together with the Audited Financial Statements of accounts of the Company for the Financial Year ended 31<sup>st</sup> March, 2025.

### COMPANIES SPECIFIC INFORMATION:

#### 1. Financial Results:

The Company's financial performance for the year ended 31<sup>st</sup> March, 2025 & 31<sup>st</sup> March, 2024 are summarized below:

Particulars	(Rs. In lakhs)	
	2024-2025	2023-2024
Revenue from Operation	6272.45	8822.89
Other Income	149.05	57.39
<b>Total Income</b>	<b>6421.49</b>	<b>8880.27</b>
<b>Expenses:</b>		
Cost of Material consumed	2737.38	4416.08
Change in Inventory	99.56	41.07
Employee Benefit	872.36	1530.45
Finance Cost	108.90	113.68
Depreciation & Amortization Exp.	139.60	152.68
Other Expenses (including prior period expenses)	2023.58	2480.92
<b>Total Expenses</b>	<b>5981.38</b>	<b>8734.88</b>
<b>Profit/ (Loss) Before Prior items and Tax</b>	<b>440.11</b>	<b>145.39</b>
<b>Prior Period Income / (expenses)</b>	<b>(0.13)</b>	<b>(1.31)</b>
<b>Net Profit / (Loss) Before Tax</b>	<b>439.98</b>	<b>144.08</b>
<u>Less: Tax Expenses</u>		
- Current Tax	(110.00)	(56.50)
- Excess/(short) Provision in earlier year	-	(3.89)
- Deferred Tax	(2.59)	(50.02)
<b>Net Profit / (Loss) After Tax</b>	<b>327.39</b>	<b>33.67</b>
<b>Opening Balance of Profit &amp; Loss A/c</b>	<b>(650.95)</b>	<b>(684.62)</b>
<u>Add: Profit/ (Loss) for the year</u>	327.39	33.67
<b>Closing Balance of Profit &amp; Loss A/c</b>	<b>(323.56)</b>	<b>(650.95)</b>
- <u>Earnings per share</u>		
Basic	<b>8.06</b>	<b>0.83</b>
Diluted	<b>8.06</b>	<b>0.83</b>

#### 2. Operational performance:

The total income during the year decreased because of the sale of Sarvali unit. This would be evident from the total income of Rs. 6421.49 lakhs as against Rs. 8880.27 lakhs for the last year. Despite this reduction, the profitability improved

substantially. The Profit rose to Rs. 327.39 lakhs as against Rs. 33.67 lakhs during the corresponding previous year.

The Company is operating only in one segment i.e. processing of textile and there is no change in the nature of the Business of the Company.

In accordance with section 136 of the Companies Act, 2013, the audited financial statements are available on [www.jakhariafabric.com](http://www.jakhariafabric.com). These documents will also be available for inspection during working hours at the registered office of your Company. Any member interested in obtaining such document may write to the Company Secretary and the same shall be furnished on request.

### **3. Transfer to reserves in terms of section 134 (3) (j) of the companies act, 2013:**

During the year under review the company has not transferred any amount to the general reserves. The Profit of Rs. 327.39 Lakhs is increased in the Reserve and Surplus Account for the year under review.

### **4. Dividend:**

The company has turned around its performance during the current year. However, with the intension to strengthen the financial position of the company, no dividend out of profit is recommended by the Board for the financial year ended March 31, 2025. (Previous year NIL).

### **5. Capital Structure:**

The Capital Structure of the Company as on 31.03.2025 is as follows:

The Authorized Share Capital of the Company is Rs. 5,00,00,000 (Rupees Five Crore) divided into 50,00,000 (Fifty Lakh) Equity Shares of Rs. 10/- (Rupees Ten) each.

The Issued, Subscribed & Paid-up Capital of the Company is Rs. 4,06,38,300 (Rupees Four Crore Six Lakh Thirty-Eight Thousand Three Hundred only) divided into 40,63,830 (Forty Lakh Sixty-Three Thousand Eight Hundred and Thirty) Equity Shares of Rs. 10/- (Rupees Ten) each fully paid up.

### **Buy Back of securities:**

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

### **Sweat Equity:**

The Company has not issued any Sweat Equity Shares during the year under review.

### **Bonus Shares:**

No Bonus Shares were issued during the year under review.

### **Employees Stock Option Plan:**

The Company has not provided any Stock Option Scheme to the employees.

### **6. Material changes between the date of the board report and end of financial year:**

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

### **7. Change in nature of business:**

There have been no material changes in the nature of any business of the company during the financial year under review.

### **8. Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:**

During the year under review there has been no such significant and material orders passed by the regulators or courts or Tribunals impacting the going concern status and company's operations in future.

### **9. Subsidiaries, Associate companies & Joint Ventures:**

The details of Subsidiaries, Associate companies & Joint Ventures are provided in Form AOC – 1 as “Annexure – IV”

**10. Extract of Annual Return:**

Kindly Take Note that the Annual Return is available on the website of the Company on [www.jakhariafabric.com](http://www.jakhariafabric.com).

**11. Conservation of Energy, Technology absorption and Foreign Exchange Earnings and Outgo:**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure I".

**12. Board of Directors, their meetings & KMP(S):****I. Constitution of the Board:**

The Board of directors comprise of total 5 (Five) Directors, which includes 3 (Three) Independent directors. The Chairman of the Board is Promoter and Executive Director. The Board members are having varied experience in the relevant field of the business activities of the Company, which plays significant roles for the business policy and decision-making process and provide guidance to the executive management to discharge their functions effectively.

**II. Board Independence:**

Our definition of 'Independence' of Directors is derived from Regulation 16 of SEBI (LODR) Regulations, 2015 and Section 149(6) of the Companies Act, 2013. The Company is having following independent directors:

- (i) Mr. Mukul Vora
- (ii) Mr. Ajitsingh Arjun Ghorpade\*
- (iii) Mr. Jawahar Desai
- (iv) Mr. Ronak Mistry\*\*

\* Mr. Ajitsingh Ghorpade resigned on 1<sup>st</sup> May, 2025 as Non – Executive Independent Director.

\*\* Mr. Ronak Mistry appointed on 1<sup>st</sup> May, 2025 as Additional Director (Non - Executive Independent Director)

As per provisions of the Companies Act, 2013, Independent Directors were appointed for a term of 5 (five) consecutive years and shall not be liable to retire by rotation.

**III. Declaration by the Independent Directors:**

All the Independent Directors have given their declaration of Independence stating that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013. Further that the Board is of the opinion that all the independent directors fulfill the criteria as laid down under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 during the year 2024-25.

**IV. Directors liable to retire by rotation**

In accordance with the provisions of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mrs. Sejal Nitin Shah (DIN: 09519451), Director of the Company is liable to retire by rotation at ensuing Annual General Meeting and being eligible offers himself for re-appointment.

**V. Changes in Directors & Key Managerial Personnel**

A. During the year there are following changes in Directors:

Sr No.	Particulars	Date of Event
1.	Appointment of Mrs. Sejal Nitin Shah as Executive director	25 <sup>th</sup> April, 2024
2.	Resignation of Mr. Jignesh H. Shah from the post of Executive Director	5 <sup>th</sup> September, 2024#
3.	Resignation of Mr. Dixit Shah from the post of Whole-time Director	5 <sup>th</sup> September, 2024#

4.	Resignation of Mr. Himatlal Shah from the post of Whole-time Director	5 <sup>th</sup> September, 2024#
5.	Resignation of Mr. Manekchand Shah from the post of Whole-time Director	5 <sup>th</sup> September, 2024#
7.	Resignation of Mr. Vijay Thakkar from the post of Company Secretary & Compliance Officer	6 <sup>th</sup> August, 2024
8.	Appointment of Mr. Bhavin Waghela as Company Secretary & Compliance Officer	10 <sup>th</sup> August, 2024

# The changes in directorship are pursuant to family settlement agreement dated 30<sup>th</sup> June, 2024

**B.** The changes in the Board of Directors of the company are pursuant to the execution of Memorandum of Family arrangement dated 30<sup>th</sup> June, 2024.

#### **VI. Meetings and Attendance of the Board:**

The Board meets at regular intervals to discuss and decide on company/business policy and strategy apart from other Board business. The notice of Board meeting is given well in advance to all the Directors. Meetings of the Board are held at the Registered Office. The Agenda of the Board meetings is circulated at least a week prior to the date of the meeting. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

The Board met **9 (Nine) times** in the Financial Year 2024-25. The maximum interval between any two meetings did not exceed 120 days. Attendance of each director in board meeting as follows:

Sr. no.	Date of Meeting	Board Strength	No. of Directors Present
1	01.04.2024	9	9
2	29.05.2024	9	9
3	19.07.2024	9	9
4	10.08.2024	9	9
5	05.09.2024	9	9
6	15.11.2024	5	5
7	19.11.2024	5	5
8	22.01.2025	5	5
9	25.03.2025	5	5

#### **VII. Separate Meeting of Independent Directors:**

As stipulated by the Code of Independent Directors under the Companies Act, 2013, a separate meeting of the Independent Directors of the Company was held on 31<sup>st</sup> March, 2025 to review the performance of Non-Independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

#### **VIII. Company's Policy on Directors' Appointment and Remuneration:**

The Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under section 178(3), are uploaded on company's website [www.jakhariafabric.com](http://www.jakhariafabric.com).

#### **IX. Annual Evaluation by the Board:**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 (10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee has laid down the criteria for evaluation of the performance of individual Directors and the Board as a whole.



Based on the criteria the exercise of evaluation was carried out through a structured process covering various aspects of the Board functioning such as composition of the Board and committees, experience & expertise, performance of specific duties & obligations, attendance, contribution at meetings & Strategic perspectives or inputs regarding future growth of company, etc. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Director. The performance of the Independent Directors was carried out by the entire Board (excluding the Director being evaluated). The Directors expressed their satisfaction with the evaluation process.

### 13. Committees of The Board:

The Company has following committees:

#### I. Audit Committee:

The Company has reconstituted the Audit Committee on 15<sup>th</sup> November, 2024 in accordance with Section 177(1) of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015. The details of which have been provided on [www.jakhariafabric.com](http://www.jakhariafabric.com). There has been no instance where the Board of Directors had not accepted any recommendation of the Audit Committee.

During the financial year ended 31st March, 2025, 5 (Five) Audit Committee Meetings were held on the following dates:

- (1) 29.05.2024 (2) 05.09.2024 (3) 15.11.2024  
(4) 19.11.2024 (5) 22.01.2025

The Audit Committee comprises of the following Directors of the Company:

Sr. No.	Name	No. of meeting entitled to attend	No. of meetings attended during the year
1	Mr. Mukul Vora -Independent Director (Chairperson)	5	5
2	*Mr. Jignesh Shah - Chairman & Executive Director (Member)	2	2
3	Mr. Ajitsingh Ghorpade- Independent Director (Member)	5	5
4	*Mr. Jawahar Desai- Independent Director (Member)	5	5
5	**Mr. Nitin Shah – Managing Director (Member)	3	3

\* Ceased to be a Member of Audit Committee w.e.f. 15<sup>th</sup> November, 2024

\*\* Appointed as a Member of Audit Committee w.e.f. 15<sup>th</sup> November, 2024

#### II. Nomination and Remuneration Committee:

The Company has reconstituted the Nomination and Remuneration Committee on 30<sup>th</sup> May, 2022 in accordance with section 178 of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, the details of which have been provided on [www.jakhariafabric.com](http://www.jakhariafabric.com).

During the financial year ended 31st March, 2025, 6 (Six) Nomination and Remuneration Committee Meetings were held on the following dates:

(1) 01.04.2024 (2) 29.05.2024 (3) 19.07.2024  
(4) 05.09.2024 (5) 19.11.2024 (6) 22.01.2025

The Nomination and Remuneration Committee comprises of the following Directors of the Company:

Sr. No.	Name	No. of meeting entitled to attend	No. of meetings attended during the year
1	Mr. Mukul Vora-Independent Director (Chairperson)	6	6
2	Mr. Ajitsingh Ghorpade-Independent Director (Member)	6	6
3	Mr. Jawahar Desai-Independent Director (Member)	6	6

### **III. Stakeholders' Relationship Committee:**

The Company has reconstituted the Stakeholders' Relationship Committee on 15<sup>th</sup> November, 2024 in accordance with section 178 of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, the details of which have been provided on [www.jakhariafabric.com](http://www.jakhariafabric.com). The Committee considers and approves various requests regarding annual report and to redress complaints of the shareholders.

During the financial year ended 31st March, 2025, 4 (Four) Stakeholders' Relationship Committee Meetings were held on the following dates:

(1) 29.05.2024 (2) 05.09.2024 (3) 19.11.2024  
(4) 22.01.2025

The Stakeholders' Relationship Committee comprises the following Directors:

Sr. No.	Name	No. of meeting entitled to attend	No. of meetings attended during the year
1	Mr. Ajitsingh Ghorpade-Independent Director (Chairperson)	4	4
2	Mr. Jawahar Desai-Independent Director (Member)	4	4
3	*Mr. Himatlal Panachand Shah - Director (Member)	2	2
4	**Mr. Mukul Vora -Independent Director (Member)	2	2

*\* Ceased to be a Member of Stakeholder's Relationship Committee w.e.f. 15<sup>th</sup> November, 2024*

*\*\* Appointed as a Member of Stakeholder's Relationship Committee w.e.f. 15<sup>th</sup> November, 2024*

### **IV. Corporate Social Responsibility (CSR) Committee:**

The Company has reconstituted the CSR Committee on 15<sup>th</sup> November, 2024 in accordance with the provisions of section 135 of the Companies Act, 2013.

During the financial year ended 31st March, 2025, 2 (Two) Corporate Social Responsibility Committee Meetings were held on the following dates:

(1) 05.09.2024 & (2) 22.01.2025

The CSR Committee comprises the following Directors:

Sr. No.	Name	No. of meeting entitled to attend	No. of meetings attended during the year
1	Mr. Ajitsingh Ghorpade-Independent Director (Chairperson)	2	2
2	Mr. Mukul Vora -Independent Director (Member)	2	2
3	*Mr. Jignesh Shah -Chairman & Executive Director (Member)	1	1
4	**Mr. Nitin Shah – Managing Director (Member)	1	1

\* Ceased to be a Member of CSR Committee w.e.f. 15<sup>th</sup> November, 2024

\*\* Appointed as a Member of CSR Committee w.e.f. 15<sup>th</sup> November, 2024

#### 14. Corporate Social Responsibility:

The provisions of section 135 of the Companies Act, 2013 is not applicable to your Company for F.Y. 2024-2025, as the Company does not fall under the criteria limits mentioned in the said section of the Act. Hence, the Company has not taken voluntary initiative towards any activity mentioned for Corporate Social Responsibility

#### 15. Statutory Auditor & Audit Report:

M/s. SHAH SHROFF & ASSOCIATES, Chartered Accountants, (Firm Registration No. 0128920W), Mumbai, were appointed as the Statutory Auditors of the Company at the 13<sup>th</sup> Annual General Meeting ('AGM') of the Company held on 31<sup>st</sup> December, 2020 for a period of five years effective from the conclusion of the 13<sup>th</sup> AGM of the Company upto the conclusion of the 18<sup>th</sup> AGM of the Company. Hence, the tenure of

the existing Statutory Auditors of the Company would expire at the conclusion of the 18<sup>th</sup> AGM of the Company.

As the term of M/s. SHAH SHROFF & ASSOCIATES, as the Statutory Auditors of the Company expires at the conclusion of 18<sup>th</sup> AGM, the Board of Directors of the Company at their meeting held on 6<sup>th</sup> September, 2025, based on the recommendation of the Audit Committee, has recommended to the Members, the appointment of **M/s. V J Shah & Co., Chartered Accountants**, (Firm Registration No. 109823W), as Statutory Auditors of the Company, for a term of 5 (Five) consecutive years from the conclusion of 18<sup>th</sup> AGM till the conclusion of the 23<sup>rd</sup> AGM.

Accordingly, an Ordinary Resolution, proposing appointment of M/s. V J Shah & Co., Chartered Accountants, as the Statutory Auditors of the Company for a term of Five consecutive years pursuant to Section 139 of the Act, forms part of the Notice of the 18<sup>th</sup> AGM of the Company.

The Company has received the written consent and a certificate that M/s. V J Shah & Co., Chartered Accountants, satisfy the criteria provided under Section 141 of the Act and that the appointment, if made, shall be in accordance with the applicable provisions of the Act and rules framed thereunder.

M/s. V J Shah & Co., is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. It is primarily engaged in providing audit and assurance services to its clients.

As required under Regulation 33(d) of the SEBI (LODR) Regulation, 2015, the auditor has confirmed that they holding a valid certificate no. 021630 issued by the Peer Review Board of the Institute of Chartered Accountants of India. Board is pleased to inform that there is no such observation made by the Auditors in their report which needs any explanation by the Board. The Notes on financial statement referred to in the Standalone & Consolidated Auditors' Reports are



self-explanatory and do not call for any further comments. The Standalone & Consolidated Auditors' Report does not contain any qualification, reservation, adverse remark or disclaimer.

#### 16. Secretarial Auditor:

Pursuant to Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed **M/s. Nagdev & Associates**, Company Secretaries, Mumbai, [ICSI Membership No. FCS - F12214 & Certificate of Practice No. 19177], to conduct the Secretarial Audit for the financial year 2024–25.

The Secretarial Audit Report in Form No. MR-3 submitted by the said Secretarial Auditors, do not contain any major adverse remarks and qualifications except

Observation 1: E-form MSME 1 for period 2024-25 were pending for filing with Ministry of Corporate Affairs.

Our reply : We acknowledge the delay in the filing of E-form MSME-1 for the period 2024–25. The same is currently under process and necessary steps are being taken to ensure its timely submission with the Ministry of Corporate Affairs. We are also taking measures to establish a more robust internal tracking mechanism to prevent such delays in the future.

Observation 2: As per section 128 of Companies act, 2013 read with rules companies (Accounts) Rules, 2014 – A company was required to maintain their accounting software with a built-in, audit trail feature for records all changes made to financial transactions. But no audit trail maintained for Tarapur Unit and Foxpro software for Saravali Unit.

Our reply : We acknowledge that the audit trail feature was not enabled/maintained in the accounting systems used at the Tarapur Unit and in

the FoxPro software used at the Saravali Unit. We are currently evaluating the feasibility of upgrading the FoxPro-based system and ensuring audit trail capability in all accounting software. For the Tarapur Unit, steps are already being initiated to implement an audit trail-compliant software in accordance with the prescribed rules.

We sincerely appreciate above observations and assure company's commitment to continuous improvement in our compliance practices.

The Secretarial Audit Report in Form No. MR-3 submitted by the said Secretarial Auditors, for the financial year 2024-2025 forms part of the Annual Report as "**Annexure V**" to the Board's report.

Further, based on the recommendation of the Board of Directors, it is proposed to re-appoint M/s. Nagdev & Associates, Company Secretaries, Mumbai, [ICSI Membership No. FCS - F12214 & Certificate of Practice No. 19177], as the Secretarial Auditor of the Company from the conclusion of the 18<sup>th</sup> Annual General Meeting (AGM) until the conclusion of the 23<sup>rd</sup> AGM, in accordance with Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 204 of the Companies Act, 2013, subject to shareholders' approval at the 18<sup>th</sup> AGM.

The proposed Secretarial Auditor has furnished her written consent and confirmed her eligibility and non-disqualification under the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations.

#### Certification from Company Secretary in Practice:

**M/s. Nagdev & Associates**, Practicing Company Secretaries has issued a certificate required under the Listing Regulations, Board of the Company has been debarred or disqualified from being appointed or continuing as director of the Company by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

**17. Internal Auditors:**

Pursuant to Section 138 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 (as amended), the Board of Directors, on the recommendations of the Audit Committee, of the Company is appointed **M/s R M F & Co.**, Chartered Accountants, Mumbai, [ICAI Firm Registration No.-153788W], as the Internal Auditors of the Company for the financial year 2024-2025 ended on 31.03.2025. The Internal Audit Finding/s and Report/s submitted by **M/s R M F & Co.**, during the financial year, to the Audit Committee and Board of Directors of the Company, do not contain any adverse remarks and qualifications hence do not call for any further explanation/s by the Company.

**18. Cost Auditors:**

As per the requirement of the Central Government and pursuant to section 148 of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your company hereby confirms that the provisions of this section are not applicable, hence your company is not required to appoint cost auditor for the financial year 2024-25.

**19. Disclosure for fraud against the company:**

In terms of provision of section 134(3)(ca) of the Companies Act, 2013, There were no instances of fraud which are reported by Auditors of the Company under section 143(12) of the Companies Act, 2013 to the Audit Committee.

**20. Code of Conduct:**

Regulation 17(5) of the SEBI (LODR) Regulations, 2015 requires listed companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013.

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and specified employees in the course of day-to-day business operations of the Company. The Company believes in “Zero Tolerance” against bribery, corruption and unethical dealings/

behavior in any form and the Board has laid down certain directives to counter such acts. The Company has adopted a Code of Conduct for all Directors and Senior Management of the Company and same is hosted on the website of the company i.e. [www.jakhariafabric.com](http://www.jakhariafabric.com)

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure. All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

**21. Corporate Governance:**

The Company being listed on the EMERGE Platform of National Stock Exchange of India Limited and therefore pursuant to Regulation 15(2)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Part C of Schedule V relating to compliance of Corporate Governance is not applicable to the Company. Further, The Company is not required to comply with requirements as specified in Part E of Schedule II pursuant to Regulation 27(1) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and submitting Compliance Report on Corporate Governance on quarterly basis pursuant to Regulation 27(2) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence no Corporate Governance Report is required and therefor it is not forming part of this Annual Report. It is pertinent to mention that the Company follows majority of the provisions of the corporate governance voluntarily as a part of Good Corporate Governance.

**22. Industrial Relations:**

During the year under review your Company enjoyed cordial relationship with workers and employees at all levels.

**23. Change in the nature of business:**

Except the material change inform in point no. 6 of this report, there is no change in the nature of the business and commercial activities of the company.

**24. Deposits:**

During the financial year ended 31<sup>st</sup> March, 2025 under review, the Company has neither invited nor accepted any public deposits within the meaning of Section 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (as amended). As such, no specific details prescribed in Rule 8(1) of the Companies (Accounts) Rules, 2014 (as amended) are required to be given or provided.

**25. Vigil Mechanism / Whistle Blower Policy:**

Your Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors have formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177 (9) of the Companies Act, 2013 and the regulation 22 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, The Company has adopted a Whistle-Blower Policy for Directors and employees to report genuine concerns and to provide for adequate safeguards against victimization of persons who may use such mechanism. The details of the Vigil Mechanism Policy has posted on the website of the Company at [www.jakhariafabric.com](http://www.jakhariafabric.com)

**26. Prevention of Insider Trading:**

In view of the SEBI (Prohibition of Insider Trading) Regulation, 2015 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The details of the

Insider Trading Policy has posted on the website of the Company at [www.jakhariafabric.com](http://www.jakhariafabric.com)

The Code requires Trading Plan, pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. However, there were no such instances in the Company during the year 2024- 25.

**27. Risk Management:**

A well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions to mitigate it. The mechanism works on the principles of probability of occurrence and impact, if triggered. A detailed exercise is being carried out to identify, evaluate, monitor and manage both business and non-business risks.

The Board of Directors of the Company and the Audit Committee shall periodically review and evaluate the risk management system of the Company so that the management controls the risks through properly defined network. Head of Departments shall be responsible for implementation of the risk management system as may be applicable to their respective areas of functioning and report to the Board and Audit Committee.

The Company has not made Risk Management Committee, but the Board of Directors and Audit Committee is looking after the Risk Management of the Company.

**28. Meetings of the Members:**

During the year under review Extra-Ordinary General Meeting of the company was held on 25<sup>th</sup> April, 2024 and 17<sup>th</sup> Annual General Meeting of the Company was held on 30<sup>th</sup> September, 2024.



**29. Directors' Responsibility Statement:**

Pursuant to the requirement under section 134(3)(C) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(i) in the preparation of the annual accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;

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

(iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) the directors had prepared the annual accounts on a going concern basis;

(v) the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

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

**30. Management Discussion and Analysis Reports:**

As per Regulation 34 (e) read with schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the management Discussion and Analysis Report of

the Company for the year ended is set out in this Annual Report as 'Annexure- II'.

**31. Particulars of Loans, Guarantees or Investments made under section 186 of The Companies Act, 2013:**

Details of Loans (Secured or unsecured), Guarantee provided in connection with any loan/s availed and Investments pursuant to the section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) are given in the notes to the Financial Statements.

**32. Internal Control Systems:**

The Company's internal control systems are adequate and commensurate with the nature and size of the Company and it ensures:

- Timely and accurate financial reporting in accordance with applicable accounting standards.
- Optimum utilization, efficient monitoring, timely maintenance and safety of its assets.
- Compliance with applicable laws, regulations and management policies.

**33. Internal Financial Control for financial statements:**

Your Company has an effective internal financial control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedure. The Company's internal financial control system is commensurate with its size, scale and complexities of its operations.

**34. Human Resources:**

The Company treats its "Human Resources" as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. The Company thrust is on the promotion of talent internally through job rotation and job enlargement.

### 35. Ratio of the remuneration of each director to the median employee's remuneration and particulars of employees:

Pursuant to provision of section 197 of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details of employees given in the 'Annexure-III'.

During the year, none of the Directors, KMP and Employees received remuneration in excess, in accordance with the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Therefore, there is no information to disclose in terms of the provisions of the Companies Act, 2013.

### 36. Related Party Transactions:

The particulars of contracts or arrangements entered into by the Company with its related parties as referred to in Section 188(1) of the Companies Act, 2013 in Form AOC-2 is annexed with this Report as 'Annexure VI'.

During the year under review, all related party transactions entered into by the Company were on an arm's length basis and in the ordinary course of business. All Related Party Transactions are placed before the Audit Committee of the Company and placed before Board for information/ approval, as and when required.

### 37. Investors Education and Protection Fund:

During the financial year 2024-2025 under review, there were no amount/s which is required to be transferred to the Investor Education and Protection Fund by the Company. As such, no specific details are required to be given or provided.

### 38. Disclosures Pertaining to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Maternity Benefit Act, 1961

To prevent sexual harassment of women at work place, The Sexual Harassment of Women at

Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December 2013. The Company has zero tolerance for sexual harassment at workplace in line with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules there under for prevention and redressal of complaints of sexual harassment at workplace. During the year under review, no complaints were received by the Company relating to sexual harassment at workplace. The Management of the Company endeavors to provide safe environment for the female employees of the Company. Also, your Bank is in compliance with the Maternity Benefit Act, 1961 as amended from time to time.

### 39. Registrar and Share Transfer Agent:

The Company has appointed Bigshare Services Private Limited as its Registrar and Share Transfer Agent. The Corporate Office of Bigshare Services Pvt. Ltd. situated at "Pinnacle Business Park, Office No. S6-2, 6<sup>th</sup> Floor, Mahakali Caves Road, Next to Ahura Centre, Andheri East, Mumbai-400093, Maharashtra.

### 40. Dematerialization of securities:

The Company's Equity Shares are admitted in the system of Dematerialization by both the Depositories namely NSDL and CDSL. As on 31<sup>st</sup> March 2025, 40,23,831 equity shares dematerialised through depositories viz. National Securities Depository Limited and Central Depository Services (India) Limited, which represents whole 99.02% of the total issued, subscribed and paid-up capital of the Company as on that date. 39,999 equity shares are in physical form. The ISIN allotted to your Company is INE00N401018.

### 41. Compliances of Secretarial Standards:

The Board of Directors confirms that the Company, has duly complied and is in compliance, with the applicable Secretarial Standard/s, namely Secretarial Standard-1 ('SS-1') on Meetings of the Board of Directors and Secretarial Standard -2 ('SS-2') on General Meetings, during the financial year 2024-2025.

**42. Green Initiative:**

Companies Act permits paperless compliance and as a measure of green initiative, we appeal to all those members who have not registered their e-mail addresses so far are requested to register their email address in respect of electronic holding with their concerned Depository Participants and/or with the Company.

**43. Additional disclosure**

During the year, pursuant to a Family Settlement Agreement dated 30<sup>th</sup> June, 2024, the Company has undertaken a reorganisation of certain business interests:

**A. Hive-off of Bhiwandi Unit :**

The Bhiwandi Unit of the Company, engaged in textile processing, was hived off in favour of Jakharia Processors LLP in accordance with the terms of the settlement.

All assets and liabilities of the said Unit, including plant & machinery, inventories, receivables, payables, and other related operations, were transferred at book values as on 30<sup>th</sup> June, 2024.

The operations of this Unit are reflected in the Company's accounts up to the effective date only.

**B. Retirement from Partnership Firm**

The Company retired from its partnership in Jakharia Industries with effect from 30<sup>th</sup> June, 2024.

The Company's capital and current account balances in the Firm were duly settled through transfer/adjustment of assets in line with the family arrangement

No separate consideration for goodwill was paid or received.

**C. Impact and Accounting Treatment**

Both transactions were carried out as part of a bona fide family arrangement and have been accounted for at book values.

No profit or loss has been recognised on the transfer/retirement.

The financial position of the Company remains strong, and the hive-off and retirement do not affect the going concern status of the Company.

The Board confirms that all disclosures relating to related party transactions under Section 188 of the Companies Act, 2013 and AS 18 have been duly made in the financial statements.

**44. Acknowledgement:**

The Board of Directors wish to express their grateful appreciation for assistance and co-operation received from various Departments of Central & State Governments and Banks during the year under review. Your directors also wish to place on record their appreciation for the committed services of all the associates and vendors of the Company.

**By order of the Board of Directors  
For Jakharia Fabric Limited**

Sd/-

Nitin Shah

Chairman & Managing Director

DIN: 01869318

Place: Palghar

Date: 06.09.2025

**‘ANNEXURE I’**  
**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND**  
**FOREIGN EXCHANGE EARNINGS & OUTGO**

In pursuant of section 134(3)(m) of the Companies Act, 2013 read together with the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 2014, the relevant information is provided herein below:-

Sr. No.	Particulars	Current Year (2024-25)	Previous Year (2023-24)
<b>I</b>	<b>CONSERVATION OF ENERGY</b>	The Company is continuously putting its efforts to improve energy management by way of monitoring energy related parameters on regular basis.	
	<b>A: POWER &amp; FUEL CONSUMPTION</b>		
<b>1.</b>	<b>Electricity</b>		
a)	Purchase Units (in Lacs)	44.99	78.83
	Total Amount (Rs. In Lacs)	403.99	599.91
	Rate/ Unit (Amount in Rs.)	8.98	7.61
b)	<b>Own Generation</b>	Nil	Nil
	(I) Through Diesel generator Unit (in Lac) Unit Per Ltr. Of diesel oil Cost / Unit (Rs.)		
	(II) Through HFO generator Unit (in Lac) Unit Per Ltr. Of diesel oil Cost / Unit (Rs.)	Nil	Nil
<b>B.</b>	<b>Consumption per unit of production</b>	0.07	0.09
	Electricity Unit per Meter		
<b>1.</b>	<b>Technology absorption</b>	Company is regularly investing and importing newer processing machinery to upgrade the technology and give value added products.	
	Expenditure incurred on R&D during this year is as follows:		
	Capital Expenditure (Rs. In Lacs)	Nil	Nil
	Recurring Expenditure (Rs. In Lacs)	Nil	Nil
<b>2</b>	<b>FOREIGN EXCHANGE EARNINGS AND OUTGO</b>		
	The details of foreign exchange earnings and outgo during the year are as under:		
	Earnings (Rs. In Lacs)	Nil	Nil
	Outgo (Rs. In Lacs)	Nil	Nil
	• Revenue A/c	Nil	Nil
	• Capital A/c	Nil	Nil

By order of the Board of Directors for  
**JAKHARIA FABRIC LIMITED**

Sd/-

Nitin Shah

Chairman & Managing Director

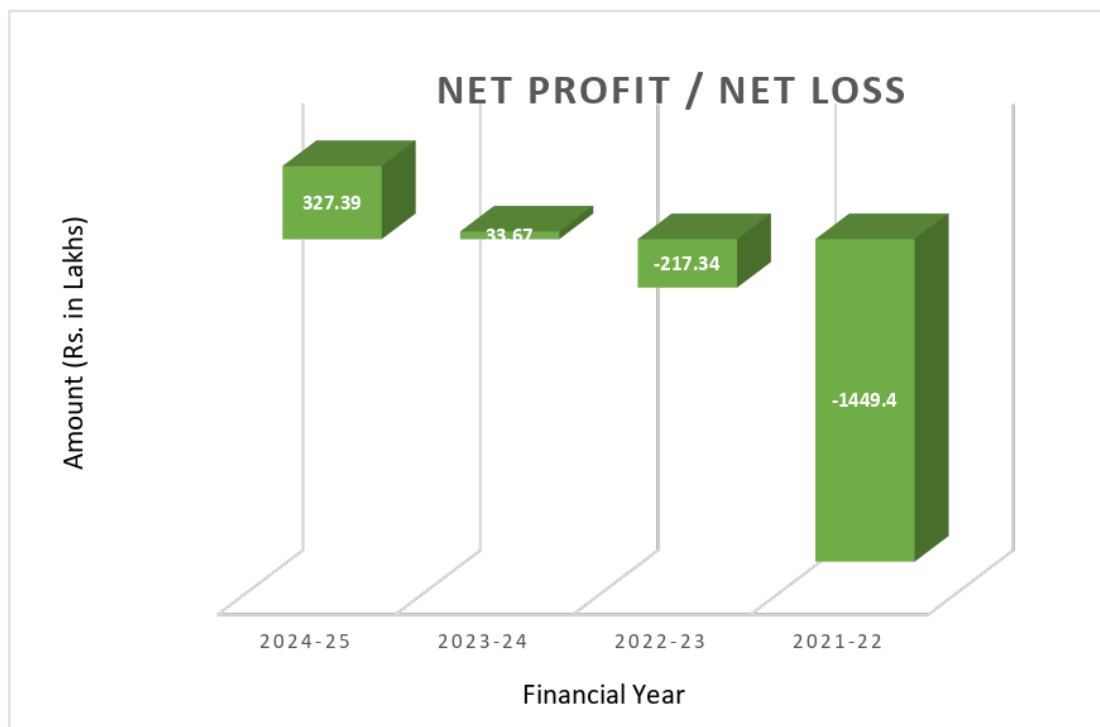
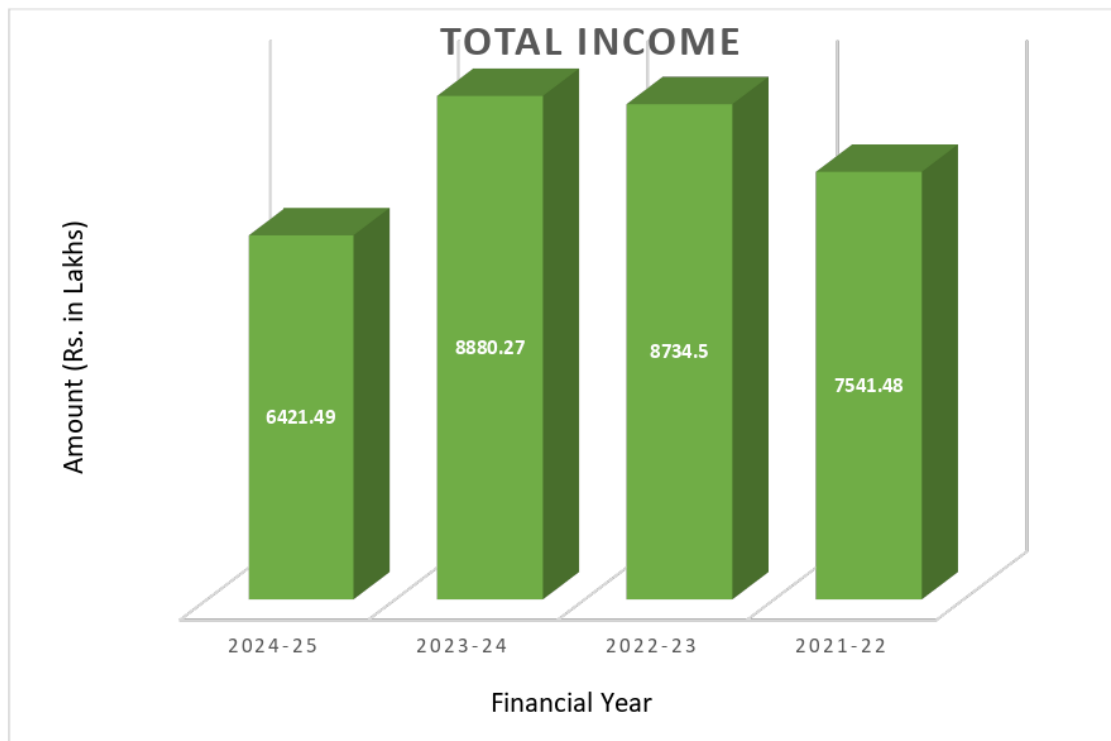
DIN: 01869318

Place: Palghar

Date: 06.09.2025



**ANNEXURE- II**  
**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**



The management discussion and analysis report provides an over view of the financial activities for the fiscal year ended on 31st March 2025, gives an overall sight of the textile industry and Company's strategy to deal with that. This report is designed to focus on current years' activities, resulting changes and other known facts in conjunction to the financial and strategic position of the Company.

## Economic Review

### Global Economy

The year 2024 began with confidence that inflation was largely beaten and that major economies would likely avoid recession. Those expectations were correct. However, as the year ended, it became increasingly clear that inflation remained more persistent than anticipated. And while the United States experienced strong growth, most other advanced economies did not. Moreover, as the year ended, many economies including India experienced currency depreciation, which could potentially become disruptive especially for emerging market economies.

As 2025 begins, there is some uncertainty due to the likely shift in policy following numerous elections around the world. New policies could lead to new trajectories for inflation, borrowing costs, and currency values, as well as trade flows, capital flows, and costs of production. Meanwhile, governments and central banks continue to navigate a balance between a desire to suppress inflation and a goal to boost growth.

The global economy exhibited steady yet uneven growth across regions in 2024. A notable trend was the slowdown in global manufacturing, especially in Europe and parts of Asia, due to supply chain disruptions and weak external demand. In contrast, the services sector performed better, supporting growth in many economies. Inflationary pressures eased in most economies. However, services inflation has remained persistent.

Despite global uncertainty, India has displayed steady economic growth. India's real GDP growth of 6.4% in FY25 remains close to the decadal average.

The US economy continues to outperform its developed economy peers. Real gross domestic product growth for 2024 is expected to reach 2.8%. Despite elevated interest rates, consumer spending has grown strongly. A relatively tight labor market, stronger inflation-adjusted wage growth, and a sharp increase in immigration have supported

aggregate consumer spending. Business investment has also held up relatively well, largely due to industrial policies that caused a sharp increase in factory construction.

The Federal Reserve's preferred measure of inflation, the personal consumption expenditures (PCE) price index, had come down to 2.3% in October 2024 on a year-ago basis, from 2.8% in March 2024. As a result, the Fed was able to cut the federal funds rate by 100 basis points between September and December 2024. Although additional rate cuts are anticipated for 2025, the pace of those cuts is expected to be modest, due in part to the persistence of services inflation. The mix of federal fiscal policy could also affect the pace of future rate cuts.

Aside from the uncertain policy environment, the US economic outlook remains bright. The economy is gradually slowing toward its potential rate of growth. Unemployment remains low, and inflation is nearing 2%. As a result, the Fed is expected to ease monetary policy at a modest pace, which should prevent a more protracted slowdown in the near term.

India's GDP growth slowed to 6.0% year over year in the first half of fiscal year 2024 to 2025, significantly below the Reserve Bank of India's (RBI) projection of 6.9%. Consequently, the central bank lowered its annual growth forecast to 6.6% from 7.2%. The first advanced estimate by the Central Statistical Office pegs growth to be 6.4%. The slowdown was primarily driven by a moderation in gross fixed capital formation, which grew by 6.4% in the first half, as capital expenditure utilization fell to 37.3%, down from 49% last year. This decline was attributed to the elections in the first quarter and weather-related disruptions in the subsequent quarter.

Additionally, geopolitical disruptions, particularly in the Red Sea, Bangladesh Political Instability and rising global trade disturbances including US tariff implications impacted the trade balance adversely. On the production side, gross value added grew by 6.2% in the first half of the fiscal year, down from 8.0% in the same period last year. Performance in the secondary sector remained weak at 6%, but the farm and service sector demonstrated resilience. Despite the overall economic slowdown, several sectors managed to sustain positive momentum, highlighting pockets of strength within the

economy. These sectors played a critical role in supporting growth amid external and domestic pressures.

|| **Rural consumption:** Agricultural growth hit a five-quarter high of 3.5%, driven by strong monsoons, healthy kharif (or monsoon or autumn crops) harvests, and improved Rabi (winter crops) sowing in the second quarter. Indicators like sales growth in fast-moving consumer goods and a lower number of jobs demanded under the Mahatma Gandhi National Rural Employment Guarantee Act of 2005 reflect rural consumption strength this fiscal year.

|| **Services:** Services grew 7.1% in the first half of the fiscal year, with a large contribution coming from the financial, real estate, and professional services sectors. Services exports also surged 12.8% year over year, reaching US\$248 billion from April to November 2024, with November exports reaching the highest levels ever. This shows the rising significance of services to growth and urban income.

|| **High-value manufacturing exports:** With the support of government schemes, Indian manufacturing is moving up the value chain. Electronics, engineering goods, and chemicals now make up 31% of exports, supported by contributions from micro, small, and medium enterprises and rising credit availability.

|| **Fiscal deficit control:** At 3.1% of GDP in the second quarter, the fiscal deficit remains manageable, with government spending on capex expected to rise significantly in the second half of the year to meet annual targets.

### Indian Economy Scenario

The Economic Survey 2024-25 notes that agriculture growth remained steady in first half of FY25, with Q2 recording a growth rate of 3.5 %, marking an improvement over the previous four quarters. Healthy “Kharif” production, above-normal monsoons, and an adequate reservoir level supported agricultural growth. The total “Kharif” food grain production is estimated at a record 1647.05 lakh metric tonnes (LMT) in 2024- 25, higher by 5.7 % compared to 2023-24 and 8.2 % higher than the average food grain production in the past five years.

The industrial sector grew by 6 % in first half of FY25, and is estimated to grow by 6.2 % in FY25. Q1 saw a strong growth of 8.3 %, but growth moderated in Q2 due to three key factors. First, manufacturing exports slowed significantly due to

weak demand from destination countries, and aggressive trade and industrial policies in major trading nations. Second, the above average monsoon had mixed effects - while it replenished reservoirs and supported agriculture, it also disrupted sectors like mining, construction, and, to some extent, manufacturing. Third, the variation in the timing of festivities between September and October in the previous and current years led to a modest growth slowdown in Q2 FY25.

Despite various challenges, India continues to register the fastest growth in manufacturing PMI, stated the Survey. The latest Manufacturing PMI for December 2024 remained well within the expansionary zone, driven by new business gains, robust demand, and advertising efforts.

The services sector continues to perform well in FY25, emphasizes the Survey. A notable growth in Q1 and Q2 resulted in 7.1 % growth in first half of FY25. Across sub-categories, all the sub-sectors have performed well. India’s services export growth surged to 12.8 % during April–November FY25, up from 5.7 % cent in FY24.

The Economic Survey states that growth process has been ably supported by stability on fronts such as inflation, fiscal health, and external sector balance. On inflation, the Survey states that retail headline inflation has softened from 5.4 % in FY24 to 4.9 % in April – December 2024. Food inflation, measured by the Consumer Food Price Index (CFPI), has increased from 7.5 % in FY24 to 8.4 % in FY25 (April- December), primarily driven by a few food items such as vegetables and pulses. India’s consumer price inflation will gradually align with the target of around 4 % in FY26 as per RBI and IMF.

The Survey observes that stability in the banking sector is underscored by declining asset impairments, robust capital buffers, and strong operational performance. The gross non-performing assets (NPAs) in the banking system have declined to a 12-year low of 2.6 % of gross loans and advances. The capital-to-risk-weighted assets ratio (CRAR) for Schedule Commercial Banks stands at 16.7 % as of September 2024, well above the norm, says the Survey.

### Government Grants and Policies:

Government policies play an important role in shaping the future of the textile industry in India.

The government has recognized the potential of the industry and has implemented various policies to promote its growth and competitiveness in the global market. Also, the government has announced incentives and tax breaks to promote exports and attract foreign investment in the textile sector. These policies aim to boost India's exports and position it as a global textile hub.

Pivotal government policies and initiatives are steering the future of India's textile industry. Key programs like **"Make in India"** are fostering an ecosystem of innovation and investment. Additionally, the textile policy and the production-linked incentive scheme aim to boost competitiveness and attract investments. At the same time, the Technical Textiles Mission seeks to promote advanced textile applications in various sectors. The government's plans for 75 textile hubs, skill development programs, and encouragement of FDI and JVs further contribute to the industry's growth, supporting innovation, productivity, and global competitiveness.

The government has been implementing various policy initiatives and schemes to encourage cotton spinning millers in the country, including the 67 announcement of key reforms under a Special Package that includes additional incentives under

the Amended Technology Upgradation Fund Scheme (ATUFS), relaxation of Section 80JJAA of the Income Tax Act, and the introduction of fixed-term employment for the apparel sector. Under the Market Access Initiative (MAI) Scheme, the government offers rebates on state and central taxes and levies that are integrated into production, as well as aid to exporters. Schemes like SAMARTH (Scheme for Capacity Building in the Textile Sector) aim to address the shortage of skilled workers in the textile sector with a target of training 10 lakh people. The Cott-Ally mobile app was created to help farmers by providing information on minimum support prices (MSP), locating nearby procurement centers, tracking payments, sharing best farming practices.

**By order of the Board of Directors for  
JAKHARIA FABRIC LIMITED**

**Sd/-**

**Nitin Shah**

**Chairman & Managing Director**

**DIN: 01869318**

**Place: Palghar**

**Date: 06.09.2025**

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**ANNEXURE-III**  
**PARTICULARS OF EMPLOYEES**  
**[AS PER SECTION 197(12) READ WITH THE RULE 5 OF THE COMPANIES**  
**(APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014]**

**A. Ratio and remuneration of Directors & KMPs**

S.N.	Name	Designation	Remuneration for the year 2024-2025 (in Rs.)	Remuneration for the year 2023-2024 (in Rs.)	% Increase/decrease in Remuneration	Ratio between Director or KMP and Median Employee
1	Jignesh Shah <sup>1</sup>	Director	-	-	-	
2	Nitin Shah	Managing Director	90,00,000	50,00,000	80%	313.04:1
3	Dixit Shah <sup>2</sup>	Whole Time Director	18,00,000	72,00,000	-75%	62.61:1
4	Manekchand Shah <sup>3</sup>	Whole Time Director	6,00,000	24,00,000	-75%	20.87:1
5	Himatlal Shah <sup>4</sup>	Whole Time Director	-	-	-	-
6	Shejal Jignesh Shah <sup>5</sup>	Director	-	-	-	-
7	Sejal Nitin Shah <sup>6</sup>	Executive Director	63,00,000-	-	NA	219.13:1
8	Mukul Vora	Independent Director				
9	Ajitsingh Arjun Ghorpade	Independent Director	-	-	-	-
10	Jawahar Desai	Additional Director	-	-	-	-
11	Manoj Tiwari	Chief Financial Officer	7,75,106	6,08,000	27.48%	26.96:1
12	Vijay Thakkar <sup>7</sup>	Company Secretary	68,000	3,60,000	NA	2.37:1
13	Bhavin Waghela <sup>8</sup>	Company Secretary	2,80,100	3,60,000	NA	9.74:1

<sup>1</sup>Mr. Jignesh H. Shah resigned on 05/09/2024 as Executive Director

<sup>2</sup>Mr. Dixit Shah resigned on 05/09/2024 as Whole-time Director

<sup>3</sup>Mr. Manekchand Shah resigned on 05/09/2024 as Whole-time Director

<sup>4</sup>Mr. Himatlal Shah resigned on 05/09/2024 as Whole-time Director

<sup>5</sup>Mrs. Shejal Jignesh Shah resigned on 14/11/2023 as Executive Director

<sup>6</sup>Mrs. Sejal Nitin Shah appointed on 14/11/2023 as Additional Director (Executive Director) and Appointed as Executive Director in EGM on 25/04/2024

<sup>7</sup>Mr. Vijay Thakkar resigned as Company Secretary & Compliance Officer on 06/08/2024

<sup>8</sup>Mr. Bhavin Waghela has appointed as Company Secretary & Compliance Officer on 10/08/2024

**B. Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year**  
As stated above in item no. (A).

**C. Percentage increase in the median remuneration of employees in the financial year.**

The remuneration of Median employees was Rs.43,920/- during the year 2024-25 as compared to Rs. 1,66,870/- in the previous year 2023-2024. On-roll employees were 356 in the financial year 2024-2025 as compared to 193 in the financial year 2023-2024.

**D. Number of permanent employees on the rolls of company**

As on 31st March, 2025 the total number of employees on the roll was 158.

**E. Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Based on Remuneration Policy of the Company, salary of the employees was increased around 14.71% on an average this is based on Remuneration Policy of the Company that rewards people based on their contribution to the success of the company and also ensures that external market competitiveness and internal relativities are taken care of.

**F. Affirmation that the remuneration is as per the Remuneration Policy of the Company:**

The Company affirms that remuneration is as per the remuneration policy of the Company.

For and on behalf of Board of Directors  
For JAKHARIA FABRIC LIMITED

Sd/-

Nitin Shah

Chairman & Managing Director

DIN: 01869318

Place: Palghar

Date: 06.09.2025

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**ANNEXURE-IV**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

**Part A Subsidiaries: Not Applicable****Part B Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associate	Jakharia Industries* (Amt. ` in Lakh)	
1. Latest audited Balance Sheet Date	31 <sup>st</sup> March, 2025	31 <sup>st</sup> March, 2024
2. Shares of Associate or Joint Ventures held by the company on the year end		
No.	-	-
Amount of Investment in Associates or Joint Venture	-	1,357.13
Extent of Holding (in percentage)	-	65.12% of profit
4. Description of how there is significant influence	Returns earned from the Investment	Returns earned from the Investment
5. Reason why the associate/joint venture is not consolidated	Not Applicable	Not Applicable
6. Net-worth attributable to shareholding as per latest audited Balance Sheet (Capital account)	-	1357.13
7. Profit or (Loss) for the year		
i. Considered in Consolidation	(109.84)	(261.03)
ii. Not Considered in Consolidation	-	-

***The Company has no joint venture.***

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

*\*The company has retired as partner from Jakharia Industries w.e.f. 30<sup>th</sup> June, 2024 and accordingly obtain the approval from shareholders on 30<sup>th</sup> September, 2024 to complete the sale of investment. Accordingly Jakharia Industries is no longer the associate company of the company.*

**For and on behalf of Board of Directors  
For JAKHARIA FABRIC LIMITED**

**Sd/-**

**Nitin Shah**

**Chairman & Managing Director**

**DIN: 01869318**

**Place: Palghar**

**Date: 06.09.2025**



## 'ANNEXURE-V'

## FORM MR-3

## SECRETARIAL AUDIT REPORT

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

**FOR THE PERIOD 01-04-2024 TO 31-03-2025**

To,  
The Board of Directors  
Jakharia Fabric Limited  
Plot No A 13, MIDC Tarapur,  
Boisar, District – Palghar 401 506.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **JAKHARIA FABRIC LIMITED (CIN L17200MH2007PLC171939)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period from **1st April, 2024 to 31st March, 2025 ("the reporting period")**, 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the period from 1st April, 2024 to 31st March, 2025 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 to the Company during the audit period*)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
  - 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, 2021;
  - d) The Securities and Exchange Board of India (Securities and Exchange Board of India

(Share Based Employee Benefits and Sweat Equity) Regulations, 2021; Not applicable during the financial year under review.

e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; Not applicable 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 (Delisting of Equity Shares) Regulations, 2021; and Not applicable during the financial year under review.

h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018; Not applicable during the financial year under review.

i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

j) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015.

k) The Memorandum and Articles of Association.

(vi) We have relied on the representation made by the Company there are no laws which may be specifically applicable to the Company during the audit period.

**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 Uniform listing Agreements entered into by the company with National Stock Exchange of India Limited.

(iii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015.

I further report that:

I have not reviewed the Compliance of applicable financial laws including Direct and Indirect Tax laws by the Company as the same has been subject to review by the Statutory Auditors and others designated professionals.

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc as mentioned above.

Subject to the following observation:-

***E-form MSME 1 for period 2024-25 were pending for filing with Ministry of Corporate Affairs.***

***As per section 128 of Companies act, 2013 read with rules companies (Accounts) Rules, 2014 – A company was required to maintain their accounting software with a built-in, audit trail feature for records all changes made to financial transactions. But no audit trail maintained for Tarapur Unit and Foxpro software for Saravali Unit.***

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, subject to the above. 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 decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

I further report that during the audit period no major decisions, specific events/ actions have occurred which has a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. **except the following:**

- A) A significant event during the year under review was that of execution and implementation of a family settlement arrangement dated June 30, 2024 amongst the "Shah Family". the Company has undertaken a reorganisation of certain business interests:

**Hive-off of Bhiwandi Unit :** The Bhiwandi Unit of the Company, engaged in textile processing, was hived off in favour of Jakharia Processors LLP in accordance with the terms of the settlement.

**Retirement from Partnership Firm :** The Company retired from its partnership in Jakharia Industries with effect from 30<sup>th</sup> June, 2024.

And other changes in business interest as per note no.41 of the notes to accounts.

**For Nagdev & Associates**  
**Practicing Company Secretaries**  
**Sd/-**

**Karan Nagdev**  
**M. No. F12214**  
**COP No. 19177**  
**PR NO.: 1271/2021**  
**UDIN: F012214G001102270**

**Place: Mumbai**  
**Date: 28/08/2025**

This report is to be read with our letter of even date which is annexed as '**Annexure- A**' and forms an integral part of this report.

#### **ANNEXURE - A TO THE SECRETARIAL AUDIT REPORT**

**To,**  
**The Board of Directors**  
**Jakharia Fabric Limited**  
**Plot No A 13, MIDC Tarapur,**  
**Boisar, District – Palghar 401 506.**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. 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.

**For Nagdev & Associates**  
**Practicing Company Secretaries**

**Sd/-**

**Karan Nagdev**

**M. No. F12214**

**COP No. 19177**

**PR NO.: 1271/2021**

**UDIN: F012214G001102270**

**Place: Mumbai**

**Date: 28/08/2025**

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**‘ANNEXURE-VI’****FORM NO. AOC -2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies(Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis: NA

2. Details of contracts or arrangements or transactions at Arm's length basis :

Sr. No.	Particulars	Details	Details
1	Name (s) of the related party & nature of relationship	Jakharia Processors LLP (Limited Liability Partnership)  The buyer Jakharia Processors LLP and seller i.e. Jakharia Fabric Limited have directors/Partners in common and are family members.	Jakharia Industries (Partnership firm)  The company is a partner in the firm
2	Nature of contracts/arrangements/transaction	Slum Sale	Sale of Investment
3	Duration of the contracts/arrangements/transaction	NA	NA
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Transfer of entire business undertaking of Unit No. 1 (Bhiwandi) of the company to Jakharia Processors LLP by way of slump sale as a going concern, on "as-is-where-is" basis at a consideration amounting to Rs. 2,31,50,000/- (Rupees Two Crore Thirty one lakhs and Fifty Thousands only) through execution of Business Transfer Agreement dated 5 <sup>th</sup> September, 2024	Sale of Investment by way of retiring from the partnership firm. The capital balance of the company in books of firm "Jakharia Industries" as on 31 <sup>st</sup> March, 2024 was Rs. 13,57,13,361/-.
5	Date of approval by the Board, if any	5 <sup>th</sup> September, 2024	5 <sup>th</sup> September, 2024
6	Amount paid as advances, if any	NA	NA
7.	Date on which the special resolution was passed in the general meeting as required under the first proviso to section 188	30 <sup>th</sup> September, 2024	30 <sup>th</sup> September, 2024

**For and on behalf of Board of Directors  
For JAKHARIA FABRIC LIMITED**

**Sd/-**

**Nitin Shah**

**Chairman & Managing Director**

**DIN: 01869318**

**Place: Palghar**

**Date: 06.09.2025**



## INDEPENDENT AUDITORS' REPORT

To,

The Members of Jakharia Fabric Limited

### Report on the audit of Standalone Financial Statements

We have audited the accompanying Standalone financial statements of **Jakharia Fabric Limited ("the company")**, which comprise the Balance Sheet as at 31<sup>st</sup> March 2025, the Statement of Profit and Loss and the Statement of Cash Flow for the year then ended, and notes to the Standalone Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

### Auditor's Opinion

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, as amended ("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 31<sup>st</sup> March 2025, and its profit and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the "Code of Ethics" issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act, and the Rules there under, 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 audit opinion on the standalone financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, for the year ended 31<sup>st</sup> March 2025 and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Emphasis of Matter

We draw attention to **Note 41 of the financial statements**. The group has entered into family settlement which was executed on 30.06.2024. The transaction emanating from the said settlement have been given effect in the present financial statement, as stated in the said note

Our opinion is not modified in respect of this matter.

### Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and

Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

### **Responsibility of Management and those charged with governance for standalone financial statement**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibilities for the audit of standalone financial statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements. As part of an audit in accordance with SAs, we exercise professional judgement 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 Companies Act, 2013, we are also



responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. A. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, the statement of Cash Flows and Notes to the standalone financial statements dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31/03/2025 taken on record by the Board of Directors, none of the directors is disqualified as 31/03/2025 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our

report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- B. 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements- refer note no 38 to the standalone financial statements.
- ii. The Company does not have any long-term contracts including derivative contracts and therefore, no provision is required to be made for any material foreseeable losses to this effect.
- iii. There were no amounts which were 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, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

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

- v. Since the company has not declared or paid any dividend during the year, the question of commenting on whether dividend declared or paid is in accordance with Section 123 of the Companies Act, 2013 does not arise.
- vi. The reporting under rule 11(g) of The Companies (Audit and Auditors) Rules, 2014 is applicable from 1<sup>st</sup> April 2023.
  - a. Based on our examination which included test checks, except for the instance mentioned below, the Company has used accounting software (Tally Prime) for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software:
  - b. The Trac ERP Software for Tarapur Unit and Foxpro software for Saravali Unit used by the company for maintaining inventory did not have an audit trail feature enabled, consequently, there was no audit trail maintained for transactions recorded within this particular software for the whole year.
  - c. Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with during the course of our audit.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us

**For Shah Shroff & Associates**  
**Chartered Accountants**  
**ICAI firm registration number: 0128920W**

**Sd/-**  
**per Yashesh Shroff**  
**Partner**  
**Membership number: 103277**  
**UDIN: 25103277BMHYUB1317**

**Place: Mumbai**  
**Date: 30-05-2025**

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### “Annexure – A” to the Independent Auditors’ Report

(Refer to in paragraph on ‘Report on Other Legal and Regulatory Requirements section of Independent Auditors Report of even date of the members of Jakharia Fabric Limited on standalone financial statements as at for the year ended 31st March 2025)

In terms of the information and explanations sought by us and given by the Company and the books of accounts and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i)
  - (a) The Company has **not** maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment (“PPE”).
  - (b) As explained to us, all the Property, Plant and Equipment (“PPE”) have been physically verified by the Management in a periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its activities. No material discrepancies were noticed on such physical verification.
  - (c) The title deeds of all the immovable properties of factory building which are freehold, are held in the name of the Company as at the balance sheet date. In respect of Immovable property amounting to Rs. 2.74 crores taken of lease and disclosed as Leasehold land in the standalone financial statement; the deed of assignment has been executed in the name of the Company.
  - (d) The company has not revalued any of its property, plant and equipment and intangible assets during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at 31st March 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
  - (f) During the year, the Company has hived off its Saravali Unit pursuant to a Family Settlement Agreement dated 30.06.2025. The assets of the said unit, including immovable properties and plant & machinery, were transferred at book values to Jakharia Industries LLP. Based on the audit procedures carried out and the information and explanations provided to us, we report that the Company has maintained proper records of such assets, and the transfers have been appropriately recorded in the books of account. Title deeds of immovable properties transferred have been handed over to the transferee entity.
- (ii)
  - (a) As explained to us, physical verification of the inventories has been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its inventories. No material discrepancies were noticed on verification between the physical stock and the book records that were 10% or more in the aggregate for each class of inventory.
  - (b) The company has not been sanctioned working capital in excess of Rs.5 crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets. Accordingly, reporting under sub-clause 3(ii)(b) of the order is not applicable.
  - (c) Inventories pertaining to the hived-off unit have been physically transferred as part of the settlement. The Company has maintained proper records of inventory up to the effective date of transfer.
- (iii) During the year the Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189



of the Companies Act. However, in view of the family settlement, the outstanding balance standing to the capital account of the company in the books of the firm is considered as amount held in trust by the firm and recorded as a loan

The aggregate amount of loan during the year, and the balance outstanding at the balance sheet date with respect to such loans are as per table given below:

Particulars	Loans (Rs. In lakh)
Aggregate amount of loans granted during the year	1247.295
Balance outstanding (gross) as at the balance sheet in respect of above cases	972.29

- (iv) The company has not advanced loans to directors including the entities in which they are interested to which provisions of section 185 of the Act apply and hence not commented upon. In our opinion and according to the information and explanations given to us, provisions of section 186 of the Act in respect of investments, loans, securities and guarantees given have been complied with by the Company.
- (v) The Company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 or any relevant provisions of the Act and rules framed thereunder. Accordingly, paragraph 3(v) of the order is not applicable to the Company.
- (vi) The Central Government has not specified the maintenance of cost records under section 148(1) of the Companies Act, 2013, for any of the products dealt by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, employees' state insurance, duty of excise sales tax, value added tax, duty of customs, service tax, goods and service tax, cess and other material statutory dues have not been regularly deposited during the year by the Company with the appropriate authorities though the delays in deposits have not been serious.
- (b) According to the information and explanations given to us and the records examined by us, outstanding statutory dues that have not been deposited by the Company on account of disputes are given below:

Name of the statute	Nature of dues	Period for which amount relates	Forum where dispute is pending	Amount
Income-tax Act, 1961	Income Tax	2015-2016	Income-tax-Assessing	2,610
Income-tax Act, 1961	Income Tax	2016-2017	CPC, Bangalore	3,30,590
Income-tax Act, 1961	TDS	2023-2024	Traces	1,47,200

- (viii) The Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- (ix) (a) The Company has not defaulted in repayment of loans or borrowings to any lender.
- (b) The Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) The Company has not taken any term loan during the year and hence, reporting under clause (ix)(c) of the Order is not applicable
- (d) On an overall examination of the financial statement of the company, we report that, prima-facia it appears that no funds raised on short-term basis have been used for long-term purpose by the company.
- (e) On an overall explanation of the financial statements of the company, we report that during the year the company has not taken any funds from an entity or person, on account of or to meet the obligation of its subsidiary or associate entity.
- (f) The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures and associate companies.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented by the Management, there was no whistle blower complaints received by the Company during the year (and upto the date of this audit report).
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of clause 3(xii) of the order are not applicable to the Company.
- (xiii) In our opinion the company is in compliance with section 177 and 188 of the Companies Act, 2013, where applicable for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- The hive-off of the Saravali Unit and the retirement from the partnership firm are related party transactions within the meaning of Section 188 of the Companies Act, 2013. In our opinion, these transactions have been disclosed in the financial statements as required by AS 18 Related Party Disclosures and have been carried out in compliance with the provisions of the Act.
- (xiv) (a) In our opinion the company has an adequate internal audit system commensurate with the size and the nature of the entity.

- (b) We have considered, the internal audit reports for the year under audit, issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedure.
- (xv) The Company has not entered into non-cash transactions with its directors or persons connected with them and hence provision of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 hence, reporting under clause (xvi)(a), (b) and (c) of the order is not applicable.
- (xvii) The company has not incurred cash losses in the current financial year and in the immediately preceding financial year. On the basis of financial information and explanations provided, and considering the post-live-off operations, we are of the opinion that the Company has adequate resources to continue its operations and the transactions do not affect the Company's ability to continue as a going concern.
- (xviii) There has been no resignation of the statutory auditors of the company during the year.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios disclosed in note 40 of the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) During the year under review, the company did not get attracted under the provision of Section 135 and accordingly, reporting under clause 3(xx) of the order is not applicable for the year.

**For Shah Shroff & Associates**  
**Chartered Accountants**  
**ICAI firm registration number: 0128920W**

**Sd/-**  
**per Yashesh Shroff**  
**Partner**  
**Membership number: 103277**  
**UDIN: 25103277BMHYUB1317**

**Place: Mumbai**  
**Date: 30-05-2025**

**“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of Jakharia Fabric Limited.**

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

We have audited the internal financial controls over financial reporting of Jakharia Fabric Limited (Formerly Known as Jakharia Fabric Private Limited) as of 31<sup>st</sup> March 2023, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence amount the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and operating effectiveness of internal control based on the assessed risk. The procedures selected depend upon on the auditor’s judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

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

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding



prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issues by the Institute of Chartered Accountants of India.

**Shah Shroff & Associates**  
**Chartered Accountants**  
**ICAI firm registration number: 0128920W**

**Sd/-**  
**per Yashesh Shroff**  
**Partner**  
**Membership number: 103277**  
**UDIN: 25103277BMHYUB1317**

**Place: Mumbai**  
**Date: 30-05-2025**

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**Jakharia Fabric Limited****Standalone Balance sheet as at March 31, 2025**

(Amount ₹ in lakhs, unless otherwise mentioned)

Particulars	Note No.	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
<b>I. EQUITY AND LIABILITIES</b>			
(1) <b>Shareholders' funds</b>			
(a) Share capital	3	406.38	406.38
(b) Reserves and surplus	4	1,809.16	1,481.77
		<b>2,215.54</b>	<b>1,888.15</b>
(2) <b>Non-Current Liabilities</b>			
(a) Long-term borrowings	5	799.43	1,088.99
(b) Deferred-tax Liabilities (net)	6	37.24	34.66
(c) Long-term provisions	7	39.25	99.48
		<b>875.92</b>	<b>1,223.13</b>
(3) <b>Current Liabilities</b>			
(b) Trade payables:-	8	2.52	66.44
(A) total outstanding dues of micro enterprises and small enterprises; and	9	763.96	1,402.64
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	9	419.10	449.54
(c) Other current liabilities	10	112.48	270.89
(d) Short-term provisions	11	100.36	151.36
		<b>1,398.42</b>	<b>2,340.86</b>
<b>TOTAL</b>		<b>4,489.88</b>	<b>5,452.14</b>
<b>II. ASSETS</b>			
(1) <b>Non-current assets</b>			
(a) Property, Plant and Equipment and Intangible assets			
(i) Property, Plant and Equipment	12	1,457.31	1,500.27
(ii) Capital work-in-progress		-	83.12
(b) Non-current investments	13	86.93	1,437.76
(c) Long-term loans and advances	14	1,625.24	719.37
(d) Other non-current assets	15	94.26	192.56
		<b>3,263.74</b>	<b>3,933.09</b>
(2) <b>Current Assets</b>			
(a) Inventories	16	113.89	240.88
(b) Trade receivables	17	847.93	1,103.23
(c) Cash and cash equivalents	18	171.78	112.67
(d) Short-term loans and advances	19	90.78	58.97
(e) Other current assets	20	1.77	3.31
		<b>1,226.15</b>	<b>1,519.06</b>
<b>TOTAL</b>		<b>4,489.88</b>	<b>5,452.14</b>
Statement of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

**For Shah Shroff & Associates****Chartered Accountants****ICAI firm registration number: 0128920W****For and on behalf of the Board of Directors of****Jakharia Fabric Limited****CIN : L17200MH2007PLC171939****per Yashesh Shroff****Partner****Membership number: 103277****Nitin Shah****Director****[DIN: 01869318]****Sejal Shah****Director****[DIN:09519451]****Manoj Tiwari****Chief Financial Officer****Bhavin Wagela****Company Secretary****M No. A46806****Place: Tarapur****Date: 30th May, 2025****Place: Tarapur****Date: 30th May, 2025**

**Jakharia Fabric Limited****Standalone Statement of Profit and Loss account for the half year ended March 31, 2025**

(Amount ₹ in lakhs, unless otherwise mentioned)

Particulars	Note No.	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
I Revenue from operations	21	6,272.45	8,822.89
II Other income	22	149.05	57.39
III <b>Total Income (I+II)</b>		<b>6,421.49</b>	<b>8,880.27</b>
IV <b>Expenses</b>			
Cost of material consumed	23	2,737.38	4,416.08
Changes in inventories of finished goods and work-in-progress	24	99.56	41.07
Employee benefits expense	25	872.36	1,530.45
Depreciation and amortization expense	26	139.60	152.68
Finance cost	27	108.90	113.68
Other expenses	28	2,023.58	2,480.92
<b>Total expenses</b>		<b>5,981.38</b>	<b>8,734.88</b>
V <b>Profit before exceptional items and tax (III – IV)</b>		440.11	145.39
VI <b>Exceptional items</b>		-	-
VII <b>Prior period income/(expenses)</b>	29	(0.13)	(1.31)
VIII <b>Profit before tax (V-VI)</b>		<b>439.98</b>	<b>144.08</b>
IX <b>Tax Expense:</b>			
Current Tax		(110.00)	(56.50)
Excess/(short) provision in earlier year		-	(3.89)
Deferred tax		(2.59)	(50.02)
X <b>Profit/(loss) after tax for the year</b>		<b>327.39</b>	<b>33.67</b>
XI <b>Earnings per equity share</b>			
(1) Basic (Face value per share Rs. 10/-)		8.06	0.83
(2) Diluted		8.06	0.83
Statement of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

**For Shah Shroff & Associates****Chartered Accountants****ICAI firm registration number: 0128920W****For and on behalf of the Board of Directors of****Jakharia Fabric Limited****CIN : L17200MH2007PLC171939****per Yashesh Shroff****Partner****Membership number: 103277****Nitin Shah****Director****[DIN: 01869318]****Sejal Shah****Director****[DIN:09519451]****Manoj Tiwari****Chief Financial Officer****Place: Tarapur****Date: 30th May, 2025****Bhavin Wagela****Company Secretary****M No. A46806****Place: Tarapur****Date: 30th May, 2025**

## Jakharia Fabric Limited

## Standalone statement of cash flow for the half year ended March 31, 2025

(Amount ₹ in lakhs, unless otherwise mentioned)

Particulars	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before tax	439.98	144.08
<u>Adjustments for</u>		
Depreciation and amortization	139.60	152.68
Provision written back	105.01	-
Sundry credit balance written back (net)	(21.83)	(38.35)
Provision for doubtful debts	33.04	
Profit on sale of machinery	(13.77)	16.94
Share of loss from partnership firm	109.84	261.03
Foreign exchange gain	(0.12)	(0.18)
Interest & financial cost	108.90	113.68
Interest received	(8.25)	(18.19)
<b>Operating profit before working capital changes</b>	<b>892.41</b>	<b>631.69</b>
<b>(Increase) \ decrease in operating assets</b>		
Inventories	126.99	50.67
Trade receivables	222.38	179.88
Short term loans & advances	(31.82)	(18.34)
Other non current assets	98.30	(92.95)
Other current assets	1.54	0.44
Trade payables	(647.29)	(642.99)
Other current liabilities	(158.41)	(2.29)
Long term provisions	(165.24)	(22.23)
Short term provisions	(51.00)	30.82
	<b>(604.54)</b>	<b>(517.00)</b>
<b>Cash generated from operating activities</b>	<b>287.87</b>	<b>114.70</b>
Tax provision	(110.00)	(60.39)
<b>Net cash flow from operating activities</b>	<b>177.87</b>	<b>54.31</b>
<b>B. Cash flow from investing activities</b>		
Purchase of fixed assets	(264.91)	(121.49)
Investment in Capital WIP	-	(83.12)
Sale of fixed assets	265.16	27.00
Interest received	8.25	18.19
Investment in firm	1,240.99	786.52
<b>Net cash used in investing activities</b>	<b>1,249.49</b>	<b>627.11</b>
<b>Cash flow from financing activities</b>		
Increase / (Decrease) long term borrowings	(289.56)	(413.37)
Increase / (Decrease) in short term borrowings	(63.92)	(181.99)
Increase / (Decrease) in long term loans & advances	(905.86)	31.41
Interest & financial charges	(108.90)	(113.68)
<b>Net cash used in financing activities</b>	<b>(1,368.25)</b>	<b>(677.64)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>59.11</b>	<b>3.78</b>
<b>Cash and cash equivalents (Opening balance)</b>	<b>112.67</b>	<b>108.89</b>
<b>Cash and cash equivalents (Closing balance)</b>	<b>171.78</b>	<b>112.67</b>
<b>Reconciliation of cash and cash equivalent with Balance Sheet</b>		
Cash and cash equivalent as per balance sheet	191.74	131.36
Less: Deposit with banks with original maturity of 3-12 months	19.96	18.69
<b>Cash and cash equivalent at the end of the year as per cash flow</b>	<b>171.78</b>	<b>112.67</b>

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

For Shah Shroff &amp; Associates

Chartered Accountants

ICAI firm registration number: 0128920W

For and on behalf of the Board of Directors of

Jakharia Fabric Limited

CIN : L17200MH2007PLC171939

per Yashesh Shroff

Partner

Membership number: 103277

Nitin Shah

Director

[DIN: 01869318]

Sejal Shah

Director

[DIN:09519451]

Manoj Tiwari

Chief Financial Officer

Bhavin Wagela

Company Secretary

M No. A46806

Place: Tarapur

Date: 30th May, 2025

Place: Tarapur

Date: 30th May, 2025



**Jakharia Fabric Limited****Notes forming part of standalone financial statements**

(Amount ₹ in lakhs, unless otherwise mentioned)

**3 Share capital**

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
<b><u>AUTHORIZED SHARES</u></b>		
50,00,000/-Equity shares of Rs.10/- each	500.00	500.00
<b>Total</b>	<b>500.00</b>	<b>500.00</b>
<b><u>ISSUED, SUBSCRIBED &amp; FULLY PAID-UP SHARES</u></b>		
40,63,830/- (P.Y.40,63,830/-) Equity shares of Rs.10/- each	406.38	406.38
	<b>406.38</b>	<b>406.38</b>

**(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

	March 31, 2025		March 31, 2024	
	Nos	Amount	Nos	Amount
At the beginning of the period	40.64	406.38	40.64	406.38
Add: Issued during the year	-	-	-	-
Outstanding at the end of the period	<b>40.64</b>	<b>406.38</b>	<b>40.64</b>	<b>406.38</b>

**(b) Terms/ rights attached to equity shares**

The company has one class of equity shares having par value of Rs.10/- per share. Each shareholder is eligible for one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(c) Details of shareholding more than 5% equity shares in the Company:**

	March 31, 2025		March 31, 2024	
Name of the shareholder	Nos	% holding in the class	Nos	% holding in the class
Nitin K Shah	27.385	67.39%	9.13	22.46%
Dixit M Shah	-	0.00%	3.47	8.54%
Manekchand Shah	-	0.00%	5.06	12.45%
Jakharia Synthetics Private Limited	-	0.00%	6.15	15.13%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**(d) Disclosure of shareholding of promoters:**

Disclosure of shareholding of promoters as at March 31, 2025 is as follows:

Promoter name	Shares held by promoter				% change during the year
	As at March 31, 2025		As at March 31, 2024		
	No. of shares	% of total shares	No. of shares	% of total shares	
Jignesh Himatlal Shah	-	-	1.37	3.37	(3.37)
Nitin Keshavji Shah #	27.385	67.39	9.13	22.46	44.93
Dixit Manikchand Shah	-	-	3.47	8.54	(8.54)
Himatlal Panachand Shah	-	-	0.61	1.50	(1.50)
Champaben Himatlal Shah	-	-	0.25	0.62	(0.62)
Suryaben Manekchand Shah	-	-	0.60	1.48	(1.48)
Manekchand Panachand Shah	-	-	5.06	12.45	(12.45)
Shejal Jignesh Shah	-	-	0.75	1.85	(1.85)
Jakharia Synthetics Private Limited	-	-	6.15	15.13	(15.13)

# Pursuant upon the family settlement, inter se transfer of shares have been effected amongst the family members and the re-classification of promoters has been noted with the stock exchange

**Jakharia Fabric Limited****Notes forming part of standalone financial statements**

Disclosure of shareholding of promoters as at March 31, 2024 is as follows:

Promoter name	Shares held by promoter				% change during the year
	As at March 31, 2024		As at March 31, 2023		
	No. of shares	% of total shares	No. of shares	% of total shares	
Jignesh Himatlal Shah	1.37	3.37	1.37	3.37	-
Nitin Keshavji Shah	9.13	22.46	9.13	22.46	-
Dixit Manikchand Shah	3.47	8.54	3.47	8.54	-
Himatlal Panachand Shah	0.61	1.50	0.61	1.50	-
Champaben Himatlal Shah	0.25	0.62	0.25	0.62	-
Suryaben Manekchand Shah	0.60	1.48	0.60	1.48	-
Manekchand Panachand Shah	5.06	12.45	5.06	12.45	-
Shejal Jignesh Shah	0.75	1.85	0.75	1.85	-
Jakharia Synthetics Private Limited	6.15	15.13	6.15	15.13	-

**4 Reserves and surplus**

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
<b>Securities Premium :</b>		
Opening balance	2,109.39	2,109.39
Add : addition during the year	-	-
Closing balance	2,109.39	2,109.39
<b>Capital Redemption Reserves :</b>		
Opening balance	23.33	23.33
Add : addition during the year	-	-
Closing balance	23.33	23.33
<b>Surplus/ (deficit) in the statement of profit and loss</b>		
Opening balance	(650.95)	(684.62)
Profit/(Loss) for the year	327.39	33.67
<b>Net surplus in the statement of profit and loss</b>	<b>(323.56)</b>	<b>(650.95)</b>
<b>Total reserves and surplus</b>	<b>1,809.16</b>	<b>1,481.77</b>

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**Jakharia Fabric Limited****Notes forming part of standalone financial statements**

(Amount ₹ in lakhs, unless otherwise mentioned)

**5 Long-term borrowings**

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
<b>A. Secured</b>		
Term loans from bank	-	62.18
Vehicle loan from bank and NBFC	10.47	12.77
Less : Current maturities of long term debt	(2.52)	(64.48)
(Amount disclosed under the head 'short-term borrowings' refer note no. 8)		
<b>A.....</b>	<b>7.95</b>	<b>10.47</b>

**Security:**Primary:

- First and exclusive charge by way of hypothecation on all existing and future receivables/ current assets/ movable assets/ movable fixed assets of the borrower.

\*Car loans are secured by way of hypothecation of specific vehicle.

Collateral:Equitable mortgaged of :-

- Plot no.A/13, MIDC Tarapur Industrial area, Village Pantembhi, Taluka Palghar, Dist. Thane
- Flat no. 605, 6th Floor, Building No.2, Man Mandir Suraksha CHS, Mulund West, Mumbai - 400080 owned by Mrs. Sejal Shah
- Flat no. 504, 5th Floor, Tower 1, Gemini Building, Runwal Authurium, LBS Road, Mulund Wet, Mumbai - 400080 owned by Mr. Dixit Shah & Mr. Manekchand Shah
- Flat no. 1201, 12th Floor, B-Wing, E/6 Apartment, Nahar Sarvodaya Heights CHSL, Mulund West, Mumbai - 400080 owned by Mr. Jignesh Shah, Mr. Himmatlal Shah and Mrs. Sejal J Shah.
- Personal guarantee of following directors:  
Himmatlal Shah, Jignesh Shah, Nitin Shah, Dixit Shah and Manekchand Shah

**B. Unsecured**

From Bank and NBFC	-	1.95
Less: Current Maturities of Long Term Loan	-	(1.95)
(Amount disclosed under the head 'short-term borrowings' refer note no. 8)	-	-
From directors *	545.08	893.60
From relatives of directors *	-	65.68
From Body Corporates		-
- Related	246.40	19.24
- Others	-	100.00

\*The unsecured loans from directors / relatives have been subordinated with the bank.

<b>B.....</b>	<b>791.48</b>	<b>1,078.52</b>
<b>(A+B).....</b>	<b>799.43</b>	<b>1,088.99</b>

**Jakharia Fabric Limited****Notes forming part of standalone financial statements**

(Amount ₹ in lakhs, unless otherwise mentioned)

**6 Deferred-tax (liabilities) /assets-(net)**

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
Deferred tax liabilities/(assets) (net)		
Depreciation	56.73	52.38
Provision for doubtful debts	(8.32)	-
MSME Creditors	(11.17)	(17.73)
	<b>37.24</b>	<b>34.66</b>

**7 Long-term provisions**

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
Provision for gratuity	33.90	97.05
Interest Provision - MSME Creditors	5.35	2.43
	<b>39.25</b>	<b>99.48</b>

**8 Short-term borrowings**

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
<b>Secured</b>		
<u>Current maturities of long term debts</u>		
Secured	2.52	64.48
Unsecured	-	1.95
	<b>2.52</b>	<b>66.44</b>

**Security:**Primary:

- First and exclusive charge by way of hypothecation on all existing and future receivables/ current assets/ movable assets/ movable fixed assets of the borrower.

Collateral:Equitable mortgaged of :-

- Plot no.A/13, MIDC Tarapur Industrial area, Village Pantembhi, Taluka Palghar, Dist. Thane
- Flat no. 605, 6th Floor, Building No.2, Man Mandir Suraksha CHS, Mulund West, Mumbai - 400080 owned by Mrs. Sejal Shah
- Flat no. 504, 5th Floor, Tower 1, Gemini Building, Runwal Authurium, LBS Road, Mulund Wet, Mumbai - 400080 owned by Mr. Dixit Shah & Mr. Manekchand Shah
- Flat no. 1201, 12th Floor, B-Wing, E/6 Apartment, Nahar Sarvodaya Heights CHSL, Mulund West, Mumbai - 400080 owned by Mr. Jignesh Shah, Mr. Himmatlal Shah and Mrs. Sejal J Shah.
- Personal guarantee of following directors:  
Himmatlal Shah, Jignesh Shah, Nitin Shah, Dixit Shah and Manekchand Shah



## Jakharia Fabric Limited

## Notes forming part of standalone financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

## 9 Trade payables

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
<b>Creditors</b>		
-for capital goods	63.78	29.38
-for raw material and others	1,075.68	1,742.79
-for expenses	43.60	80.01
	<b>1,183.06</b>	<b>1,852.18</b>

## Trade payable ageing schedule as at 31st March, 2025

Particulars	Outsatnding for following periods from date of invoice				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	763.89	0.07	-	-	763.96
(ii) Others	405.61	13.50	-	-	419.10
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

## Trade payable ageing schedule as at 31st March, 2024

Particulars	Outsatnding for following periods from date of invoice				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	1,399.15	2.89	0.59	-	1,402.64
(ii) Others	431.31	8.35	1.63	8.25	449.54
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Micro, Small and Medium enterprises have been identified by the company on the basis of the information available.

	March 31, 2025 Amount in INR	March 31, 2023 Amount in INR
<b>Dues remaining unpaid as at 31st March</b>		
(a) Principal	763.96	1,402.64
Interest on the above	3.52	2.43
(b) Interest paid in terms of Section 16 of the act along with amount of payment made to the supplier beyond the appointed paid during the year		
Principal paid beyond the appointed date		
Interest paid in terms of Section 16 of the act	-	-
(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	-	-
(d) Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	-	-
(e) Amount of interest accrued and remaining unpaid as at 31st March	-	-

## 10 Other current liabilities

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
Statutory dues payable	30.06	41.93
Salaries and wages payable	31.81	165.09
Electricity & water dues payable	27.54	63.05
Other Payable	23.01	-
Interest accrued but not due on term loans	0.07	0.82
	<b>112.48</b>	<b>270.89</b>

## 11 Short-term provisions

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
Provision for gratuity	1.22	52.22
Provision for liability (refer note no. 38)	99.14	99.14
	<b>100.36</b>	<b>151.36</b>

## Jakharia Fabric Limited

## Notes forming part of standalone financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

## 12. Property, Plant and Equipment

As at March 31, 2025

	Gross Block				Accumulated Depreciation				Net Block	
	Value at the beginning 01.04.2024	Addition during the year	Disposal during the year	Value at the end of the period 31.03.2025	Value at the beginning 01.04.2024	Addition for the year	Disposal during the year	Value at the end of the period 31.03.2025	WDV as on 31.03.2025	WDV as on 31.03.2024
<b>A. Tangible assets</b>										
Leasehold Land	273.52	-	-	273.52	-	-	-	-	273.52	273.52
Factory Building	374.71	-	12.80	361.91	270.89	9.32	5.37	274.84	87.07	103.82
Building at Tarapur	300.88	-	-	300.88	150.38	7.25	-	157.63	143.25	150.49
Plant & Machinery (refer note no 41(A))	2,812.68	337.25	548.75	2,601.19	1,894.63	105.56	314.96	1,685.23	915.96	918.05
Computer	14.79	8.72	9.08	14.43	11.41	3.78	4.10	11.09	3.33	3.38
Office Equipment	68.16	1.44	3.13	66.46	54.48	5.70	2.83	57.35	9.11	13.68
Bike	0.53	-	0.53	-	0.51	-	0.51	-	-	0.03
Car	28.30	-	-	28.30	11.56	5.23	-	16.79	11.51	16.74
Roto Crate	3.29	-	3.29	-	2.25	0.05	2.30	-	-	1.04
Factory Shed	5.57	-	5.57	-	4.05	0.04	4.08	-	-	1.52
EPBAX System	1.78	-	1.25	0.53	1.30	0.02	0.88	0.44	0.09	0.47
Laboratory	29.79	-	2.70	27.09	25.55	0.88	2.07	24.36	2.73	4.24
Furniture	14.97	0.63	3.51	12.08	11.64	0.77	3.11	9.30	2.78	3.33
Electrical Goods	141.75	-	11.22	130.53	131.79	1.01	10.24	122.56	7.96	9.96
<b>Total Property, Plant and Equipment</b>	<b>4,070.72</b>	<b>348.03</b>	<b>601.83</b>	<b>3,816.92</b>	<b>2,571.45</b>	<b>139.60</b>	<b>350.44</b>	<b>2,359.61</b>	<b>1,457.31</b>	<b>1,500.27</b>
<b>Intangible assets</b>										
<b>Total Intangible assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>4,070.72</b>	<b>348.03</b>	<b>601.83</b>	<b>3,816.92</b>	<b>2,571.45</b>	<b>139.60</b>	<b>350.44</b>	<b>2,359.61</b>	<b>1,457.31</b>	<b>1,500.27</b>
<b>As at March 31, 2024</b>										
<b>Total assets</b>	<b>4,160.74</b>	<b>121.49</b>	<b>211.51</b>	<b>4,070.72</b>	<b>2,586.33</b>	<b>152.68</b>	<b>167.57</b>	<b>2,570.45</b>	<b>1,500.27</b>	<b>1,575.41</b>

**Jakharia Fabric Limited****Notes forming part of standalone financial statements**

(Amount ₹ in lakhs, unless otherwise mentioned)

**13 Non-current investments**

	March 31,2025 Amount in INR	March 31,2024 Amount in INR
<b>A. Investment in equity instruments (unquoted)</b>		
(i) Shares of NKGSB Co- Operative Bank	1.00	1.00
<b>B. Investment in partnership firms :</b>		
(i) Capital Investment in Jakharia Industries		
Balance as per last balance sheet	1,357.13	2,410.98
Less : Withdrawals during the year	-	(792.82)
Less: Share of loss for the year	(109.84)	(261.03)
Less: Balance transfer to loan (refer note no 41(B))	(1,247.29)	-
	-	1,357.13

The Partner -wise break-up of Capital and Profit Sharing ratio in M/s. Jakharia Industries is as under :-

Name of the Partner	Profit Sharing Ratio	Capital as on March 31, 2025 Amount in INR	Profit Sharing Ratio	Capital as on March 31, 2024 Amount in INR
M/s. Jakharia Fabrics Private Limited	-	-	65.12%	1,357.13
Mr. Nitin Shah	-	-	1%	11.74
Mr. Himmatlal Shah	40%	535.58	19%	396.03
Mr. Jignesh Shah	40%	443.36	14%	295.70
Mr. Dixit Shah	-	-	1%	11.72
Mr. Maneekchand Shah	-	-	1%	11.72
Jakharia Synthetics Pvt Ltd	20%	280.80	-	-
		1,259.74		2,084.05
<b>Others</b>				
Tarapur Environment Protection		85.93		79.63
<b>TOTAL</b>		<b>86.93</b>		<b>1,437.76</b>

**14 Long-term loans and advances**

	March 31,2025 Amount in INR	March 31,2024 Amount in INR
Balance with government authorities	528.75	597.43
Advance income-tax (net)	124.19	121.94
Others (refer note no 41(B))	972.29	-
	<b>1,625.24</b>	<b>719.37</b>

**15 Other non-current assets**

	March 31,2025 Amount in INR	March 31,2024 Amount in INR
<b>Other non-current assets</b>		
Security deposit	74.29	173.87
Deposits with banks (with original maturity period of more than 12 months)	19.96	18.69
(Note: Held under lien by Bank against bank guarantees issued in favour of company)		
	<b>94.26</b>	<b>192.56</b>

**Jakharia Fabric Limited****Notes forming part of standalone financial statements**

(Amount ₹ in lakhs, unless otherwise mentioned)

**16 Inventories**

	March 31,2025 Amount in INR	March 31,2024 Amount in INR
<b>Inventories</b>		
At cost or net realisable value, which ever is lower, except otherwise stated		
<u>Raw material</u>		
- Dyes and chemicals	29.01	54.81
- Others	14.34	15.97
<u>Work in Progress</u>		
- Fabrics	30.41	65.22
<u>Finished Goods</u>		
- Fabrics	40.14	104.89
(As taken, certified and valued by the management)		
	<b>113.89</b>	<b>240.88</b>

**17 Trade receivables**

	March 31,2025 Amount in INR	March 31,2024 Amount in INR
<b>Outstanding for a period exceeding six months from the date of Invoice</b>		
Secured, considered good	-	-
Unsecured, considered good	795.18	989.92
Doubtful	-	-
<u>Others</u>		
Secured, considered good	-	-
Unsecured, considered good	99.04	126.57
Doubtful	-	-
Less: provision for doubtful debts	(46.30)	(13.26)
	<b>847.93</b>	<b>1,103.23</b>

**Trade Receivables ageing schedule as at 31st March, 2025**

Particulars	Outstanding for following periods from the date of invoice					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	795.18	22.48	21.06	7.25	1.96	847.93
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered doubtful	-	-	-	-	-	-

**Trade Receivables ageing schedule as at 31st March, 2024**

Particulars	Outstanding for following periods from the date of invoice					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	989.92	60.48	33.89	6.52	12.42	1,103.23
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered doubtful	-	-	-	-	-	-



**Jakharia Fabric Limited****Notes forming part of standalone financial statements**

(Amount ₹ in lakhs, unless otherwise mentioned)

**18 Cash and cash equivalents:**

	March 31,2025	March 31,2024
	Amount in INR	Amount in INR
Cash on hand	0.56	2.04
Balance with banks		
- In current accounts	59.29	(90.67)
- In fixed deposits	131.89	220.00
	191.74	131.36
Less:Deposits with banks (with original maturity period of more than 12 months)	(19.96)	(18.69)
	<b>171.78</b>	<b>112.67</b>

**19 Short-term loans and advances**

	March 31,2025	March 31,2024
	Amount in INR	Amount in INR
<b>Unsecured and considered good</b>		
Advance to suppliers	70.84	13.10
Advance to employees	19.94	45.87
	<b>90.78</b>	<b>58.97</b>

**20 Other current assets**

	March 31,2025	March 31,2024
	Amount in INR	Amount in INR
<b>Unsecured and considered good</b>		
Prepaid expenses	1.77	3.31
	<b>1.77</b>	<b>3.31</b>

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**Jakharia Fabric Limited****Notes forming part of standalone financial statements**

(Amount ₹ in lakhs, unless otherwise mentioned)

**21 Revenue from operations**

	March 31, 2025	March 31, 2024
	Amount in INR	Amount in INR
<b>Sale of services</b>		
Job work/sales	5,776.59	8,797.34
<b>Sale of products</b>	-	-
Finished goods	495.85	25.55
	<b>6,272.45</b>	<b>8,822.89</b>
<b>Details of finished goods</b>		
Fabrics	495.85	25.55

**22 Other income**

	March 31, 2025	March 31, 2024
	Amount in INR	Amount in INR
<b>Interest income:</b>		
Fixed deposit	7.90	6.91
Security deposit	0.35	3.71
Income tax refund	-	7.58
Sundry credit balance written back (net)	21.83	38.35
Dividend	0.07	0.07
Duty drawback	-	0.59
Foreign exchange gain	0.12	0.18
Excess gratuity provision	105.01	-
Profit on sale of asset	13.77	-
	<b>149.05</b>	<b>57.39</b>

**23 Cost of materials consumed**

	March 31, 2025	March 31, 2024
	Amount in INR	Amount in INR
<b>Other materials</b>		
Opening stock	70.77	80.37
<b>Add: Purchases</b>		
Coal and biomass	1,237.03	1,862.88
Dyes and chemicals	943.13	2,023.47
Finished goods	22.70	30.91
Grey fabric	428.89	35.75
Packing material	191.25	227.55
Stores and spares	176.84	263.24
Less : Discount on purchases	(14.60)	(37.32)
Less: Stock transferred (refer note no. _)	(275.29)	-
Less: Closing stock	(43.34)	(70.77)
	<b>2,737.38</b>	<b>4,416.08</b>

**24 Changes in inventories of finished goods and work-in-progress**

	March 31, 2025	March 31, 2024
	Amount in INR	Amount in INR
<b>Opening stock</b>		
Work-in-progress	65.22	78.26
Finished goods	104.89	132.92
	170.11	211.18
<b>Less: Closing stock</b>		
Work-in-progress	30.41	65.22
Finished goods	40.14	104.89
	99.56	41.07

**25 Employee benefits expense**

	March 31, 2025	March 31, 2024
	Amount in INR	Amount in INR
Salary and wages	678.98	1,334.54
Directors remuneration	167.00	146.00
Contribution to provident and other funds	13.32	12.06
Staff welfare	11.02	8.34
Gratuity	-	26.89
Others	2.04	2.62
	<b>872.36</b>	<b>1,530.45</b>

**Jakharia Fabric Limited****Notes forming part of standalone financial statements**

(Amount ₹ in lakhs, unless otherwise mentioned)

**26 Depreciation and amortization expenses**

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
Depreciation	139.60	152.68
	<b>139.60</b>	<b>152.68</b>

**27 Financial cost**

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
Interest expenses	107.65	112.97
Others*	1.26	0.72
	<b>108.90</b>	<b>113.68</b>

\* including bank charges, processing fees etc.

**28 Other expenses**

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
<u>Manufacturing and service cost</u>		
Cash discount	1.89	12.57
Contractors expenses	751.89	676.55
Loading and unloading charges	57.43	53.04
Packing expenses	33.05	30.56
Power and fuel	502.48	737.34
Rent, rates and taxes	27.35	64.68
Repairs and maintenance	112.14	111.48
Pollution control and others testing charges	20.26	22.32
Water expenses	54.53	63.88
	<b>1,561.03</b>	<b>1,772.41</b>
<u>Administrative &amp; Selling expenses</u>		
Brokerage	50.42	87.50
Security expenses	5.48	14.94
Computer expenses	4.52	5.30
Travelling, conveyance and petrol expenses	6.02	6.00
Selling expenses	1.68	3.54
Courier charges	0.50	0.48
Donation	0.28	1.10
GST ineligible	3.97	0.44
Insurance	6.51	8.42
Interest on statutory dues	0.31	0.89
Loss on sale of asset	-	16.94
Share of loss from partnership firm	109.84	261.03
Motor car expenses	0.80	0.54
Penalty	0.81	0.55
Printing and stationery	8.27	12.85
Provision for doubtful debts	33.04	-
Professional fees	43.40	37.86
Sundry expenses	9.79	20.00
Telephone expenses	0.32	1.05
Transport charges	170.59	223.06
Payment to Auditors (Note no.30)	6.00	6.00
	<b>462.55</b>	<b>708.51</b>
	<b>2,023.58</b>	<b>2,480.92</b>

**29 Prior period expenses**

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
Others	0.13	1.31
	<b>0.13</b>	<b>1.31</b>

**Jakharia Fabric Limited****Notes forming part of standalone financial statements**

(Amount ₹ in lakhs, unless otherwise mentioned)

**30 Remuneration to Auditors:**

	March 31,2025	March 31,2024
	Amount in INR	Amount in INR
Audit fees	4.00	4.00
Tax audit fees	2.00	2.00
Other Service	12.21	15.01

**31 Earnings per share (EPS)**

The following reflects the profit and share data used in the basic and diluted EPS computations:

	March 31,2025	March 31,2024
	Amount in INR	Amount in INR
<b>Profit/ ( loss) after tax</b>	327.39	33.67
<b>Weighted average number of equity shares in calculating basic EPS</b>		
Equivalent weighted average number of equity shares at the end of the year	40.64	40.64
Diluted weighted average number of equity shares at the end of the year / period	40.64	40.64
<b>Earnings Per Share</b>	-	-
Basic EPS	8.06	0.83
Diluted	8.06	0.83

**32 Employee benefit expenses:****a) Reconciliation of defined benefit obligation:**

	March 31,2025	March 31,2024
	Amount in INR	Amount in INR
Present value of DBO at start of year	149.27	143.11
Current Service Cost	7.25	32.39
Interest cost	10.79	10.76
Benefits paid	(9.14)	(20.73)
Acturial Gain /(Loss) gain	(123.06)	(16.26)
<b>Present value cost</b>	35.12	149.27

**b) Expenses recognised in Profit & Loss account**

	March 31,2025	March 31,2024
	Amount in INR	Amount in INR
Current Service Cost	7.25	32.39
Interest cost	10.79	10.76
Benefits paid	-	-
Past service cost	-	-
Acturial Gain /(Loss) gain	(123.06)	(16.26)
<b>Present value cost</b>	(105.01)	26.89

**c) Net liability /(assets) recognised in Balance Sheet**

	March 31,2025	March 31,2024
	Amount in INR	Amount in INR
<b>Present value of DBO</b>	35.12	149.27
<b>Fair value of Plan Assets</b>	-	-
Net Liabilty/ (Assets)	35.12	149.27
Less: Unrecognised Past Service Cost	-	-
Liability /(assets) recognised in Balance Sheet	35.12	149.27
of which Short Term Provision	1.22	52.22



**Jakharia Fabric Limited****Notes forming part of standalone financial statements**

(Amount ₹ in lakhs, unless otherwise mentioned)

**33 Related party disclosures:****(a) Names of related parties and related party relationship**

<b>Name of the Party</b>	<b>Description of Relationship</b>
M/s. Jakharia Synthetics Private Limited	Enterprise over which directors have significant influence.
M/s. Jakharia Industries	Enterprise over which directors have significant influence.
M/s. Dixit Processors	Enterprise over which directors have significant influence.
M/s. KKP Fashion Private Limited	Enterprise over which directors have significant influence.
M/s. Jakharia Processors LLP	Enterprise over which directors have significant influence.
M/s Viscot Rayons	Enterprise over which directors have significant influence.

**Key managerial personnel**

Mr. Nitin Shah	Managing Director
Mrs. Sejal Shah	Executive Director from 25.04.2024
Mr. Himmatlal Shah	Whole Time Director till 05.09.2024
Mr. Jignesh Shah	Director till 05.09.2024
Mr. Dixit Shah	Whole Time Director till 05.09.2024
Mr. Manekchand Shah	Whole Time Director till 05.09.2024
Mr. Mukul Jayantilal Vora	Independent Director
Mr. Jawahar Desai	Independent Director
Mr. Ajitsingh Ghorpade	Independent Director
Mr. Manoj Tiwari	Chief Financial Officer
Mr. Vijay Thakkar	Company Secretary till 06.08.2024
Mr. Bhavin Waghela	Company Secretary from 10.08.2024

**(b) Related party transaction****(i) The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:**

	<b>Nature of Transaction</b>	<b>March 31,2025 Amount in INR</b>	<b>March 31,2024 Amount in INR</b>
M/s. Jakharia Industries (refer note no. 41)	Investments	(1,247.29)	(792.82)
M/s. Jakharia Industries (refer note no. 41)	Loan Given	1,247.29	-
M/s. Jakharia Industries (refer note no. 41)	Loan returned	275.00	-
M/s. Jakharia Processors LLP	Loan Received	23.05	-
M/s. Jakharia Processors LLP (refer note no. 41)	Business Transfer	231.50	-
M/s. KKP Fashion Private Limited	Loan Received	775.00	716.02
M/s. KKP Fashion Private Limited	Loan Paid	563.10	716.02
M/s. KKP Fashion Private Limited	Interest paid	16.96	21.38
M/s. KKP Fashion Private Limited	Sales	30.84	25.39
M/s. KKP Fashion Private Limited	Brokerage	-	0.26
Mr. Nitin Shah	Interest paid	62.80	34.90
Mr. Dixit Shah	Interest paid	14.50	14.68
Mr. Manekchand Shah	Interest paid	6.93	15.39
Mrs. Rinkal D Shah	Interest paid	-	7.11
Mrs. Sejal Shah	Interest paid	0.27	-
M/s. Viscot Rayons	Purchase	33.37	17.60

**(ii) Remuneration to key managerial personnel:**

	<b>March 31,2025 Amount in INR</b>	<b>March 31,2024 Amount in INR</b>
Mr. Dixit Shah	18.00	72.00
Mr. Manekchand Shah	6.00	24.00
Mr. Nitin Shah	90.00	50.00
Mrs. Sejal Shah	63.00	-
Mr. Manoj Tiwari	7.75	6.08
Mr. Vijay Thakkar	0.68	3.60
Mr. Bhavin Waghela	2.80	-

**(iii) Outstanding balances**

<b>Name of the Party</b>	<b>March 31,2025 Amount in INR</b>	<b>March 31,2024 Amount in INR</b>
<b>(a) Receivables</b>		
KKP Fashion Private Limited	-	1.05
<b>(b) Payables</b>		
KKP Fashion Private Limited	1.70	-
Jakharia Processors LLP	0.00	-
Viscot Rayons	30.92	18.30
<b>(c) Investments</b>		
M/s. Jakharia Industries (refer note no.41 )	-	1,357.13
<b>(d) Rent Payable</b>		
Mr. Himatlal Shah	4.80	4.80
<b>(f) Unsecured Loan</b>		
Mr. Dixit Shah	-	325.90
Mr. Manekchand Shah	-	141.10
Mr. Nitin Shah	481.94	426.59
Mrs. Rinkal D Shah	-	65.68
KKP Fashion Private Limited	246.40	19.24
Mrs. Sejal N Shah	73.21	-
<b>(f) Loans and advances</b>		
Mr. Manoj Tiwadi	4.00	4.00
M/s. Jakharia Industries (refer note no.41 )	972.29	-

**Jakharia Fabric Limited****Notes forming part of standalone financial statements**

(Amount ₹ in lakhs, unless otherwise mentioned)

**34 Foreign currency balance:**

	March 31,2025	March 31,2024
	Amount in INR	Amount in INR
Payable	-	7.53

**35 Contingent liabilities:**

(To the extent not provided for)

	March 31,2025	March 31,2024
	Amount in INR	Amount in INR
Disputed Income-tax	4.80	3.33
Bank guarantee	95.92	95.92
	<u>100.72</u>	<u>99.25</u>

**36 Corporate Social Responsibility (CSR):**

As per section 135 of the Companies Act 2013 along with the Companies (Corporate Social Responsibility Policy) Rules, 2014 read with DPS guidelines no. F.No. 15 (13)/2013-DPE(GM), the Company is required to spend, in every financial year, at least two percent of the average net profits of the Company during the three immediately preceding financial years in accordance with its CSR Policy.

During the period under review, the company did not meet this criteria and therefore was not required to spend any amount towards CSR activity.

Particulars	March 31,2025	March 31,2024
	Amount in INR	Amount in INR
a. Amount required to be spent by the company during the year	Nil	Nil
b. Amount of expenditure incurred on :		
i. Construction/acquisition of any assets	-	-
ii. On purpose other than (i) above	-	-
c. Shortfall at the end of the year	-	-
d. Total of previous years shortfall	-	-
e. Reason for shortfall	NA	NA
f. Nature of CSR activities	NA	NA
g. Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	NA	NA

- 37** The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of accounts, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of accounts along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses accounting software (Tally Prime) for maintaining its books of account which have a feature of recording audit trail (edit log) facility. The company uses Trac ERP software for Tarapur Unit and Foxpro software for Saravali Unit for recording of inventory. With regard to the tally prime, the audit trail (edit log) facility has been operational throughout the year for all relevant transactions recorded in the accounting software. However, in Trac ERP software and Foxpro software which is used for maintaining inventory records the audit trail (edit log) facility has not been operational throughout the period under audit.

- 38** Penalty amounting to INR 251.54 lakhs has been levied by NGT for alleged violation of environmental norms by the Company at its factory located at Tarapur MIDC. As per the directions of the Honourable Supreme Court dated December 14, 2020, the Company has deposited 30% of the penalty amounting to INR 75.46 lakhs which was disclosed as recoverable advance in financial year 2020-21. The order of penalty was stayed by the Honourable Supreme Court and has directed to hear the case afresh by giving opportunity to the concerned parties. Pursuant to the directions of the Honourable Supreme Court dated December 14, 2020, National Green Tribunal had reheard the matter and vide its direction dated January 24, 2022 had reduced the portion of compensation attributable to the company for alleged violations of environmental norms of manufacturers at Tarapur MIDC to an amount of Rs.98.88 lakhs from Rs.251.51 lakhs. In view of the same the company has debited penalty amounting to INR 98.88 lakhs in the financial year 2021-22.

**Jakharia Fabric Limited****Notes forming part of standalone financial statements**

(Amount ₹ in lakhs, unless otherwise mentioned)

**39 Returns filed with banks with respect to working capital facilities availed by the**

The working capital has been paid off during the year under review.

**40 Key Ratios**

Ratio	Numerator	Denominator	March 31,2025	March 31,2024	% Variance	Reason for variance
(a) Current Ratio	Total Current Assets	Total Current Liabilities	0.88	0.65	(35.12)	Improved due to better working capital management
(b) Debt-Equity Ratio	Total Borrowing	Total Equity	0.36	0.61	40.85	Reduced because of repayment of borrowing.
(c) Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Noncash operating expenses + Interest + Other non-cash	Debt service = Interest and lease payments + Principal repayments	5.52	2.04	(1.70)	Ratio increase on account of increased earning in the current year.
(d) Return on Equity Ratio	Loss for the period less Preference dividend (if any)	Average total equity	0.16	0.02	(786.68)	Improvement in profitability ratio.
(e) Inventory Turnover Ratio	Cost of goods sold = Cost material Consumed + Purchases of stock in trade + Change in inventories of Finished Goods, Work in progress and Stock in trade	Average Stock	15.99	16.74	4.48	Ratio has improved as there is increase in revenue over previous year.
(f) Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivables	6.43	7.40	(13.06)	Ratio has weakened due to increase in revenue.
(g) Trade Payables Turnover Ratio	Net purchase = Purchase of Stock in trade + Purchase of Raw Material	Average Trade Payables	4.64	2.95	56.93	Ratio has weakened due to year end purchase.
(h) Net Capital Turnover Ratio	Revenue from Operations	Working Capital = Total Current Asset - Total Current Liabilities	(36.41)	(10.74)	(239.15)	
(i) Net Profit Ratio	Profit for the period	Revenue from Operations	0.0522	0.00	(1,267.53)	Net profit margin of current year is better than previous year due to higher sales.
(j) Return on Capital Employed	Earning before finance cost and tax	Capital employed = Tangible Net worth + Total Borrowings + Deferred Tax Liabilities(if any)	0.18	0.08	(114.78)	Improvement in profitability ratio.

- 41 During the financial year 2024-2025, in order to give effect to the oral family understanding of July 2022, the members of the promoter/family of Jakharia group entered into a family settlement to amicably restructure their respective shareholdings, business interests, and control rights across various entities within the Group. The arrangement was executed through mutual consent, to avoid any likely dispute or litigation, and was formalized via a written memorandum of family arrangement dated 30-06-2024. The understandings as emanating from the family arrangement were as under:

- The family arrangement separated and compartmentalised the ownership, management and control of different "Jakharia group entities" and distribute the same amongst the three groups defined therein comprising of "Jignesh group", "Nitin group" and "Dixit group"
- The ownership, management and control of the Saravali unit of the company shall be with Dixit group
- The ownership, management and control of M/s Jakharia Industries and Jakharia Synthetic Pvt Ltd shall be with Jignesh Group consequent upon this, the company shall retire from the firm M/s Jakharia Industries in which it was partner
- The brand name "Jakharia" can be used by all the groups
- The promoted group has since been reclassified the inter se transfer of shares have been effected amongst the family members such as to align in line with the family settlement arrangement

The implementation of family settlement involved transaction to give effect to the same, major transactions inter alia which have impact on the financial statement are below:

**(A) Hive-off of Saravali Unit**

- The Saravali Unit of the Company, engaged in processing of grey fabrics, was hived off in favour of Jakharia Processors LLP.
- In terms of the Family Settlement, all assets and liabilities pertaining to the Saravali Unit, including plant and machinery, inventories, receivables, payables, employees, and related operational obligations, were transferred as on 30th June 2024 at their respective book values.
- Operations of the Saravali Unit have been included in the Company's financial statements only up to 30th June 2024. Subsequent to that, the Company has no continuing involvement in the said Unit.

**(B) Retirement from Partnership Firm**

- The Company was a partner in Jakharia Industries with 65% share of profits. Under the Family Settlement, the Company has retired from the said firm with effect from 30.06.2025.
- The capital balance of ₹ 12,47,29,461 standing to the credit of the Company in the books of the Firm were settled as per the terms of the agreement, without any dispute.
- No goodwill has been recognised or received by the Company in respect of its retirement, as the transaction was affected as part of the overall family arrangement.

**(C) Consideration and Settlement Terms**

- Both the hive-off of the Unit and the retirement from the Partnership Firm were affected at book values.
- The transfers were in the nature of family realignment and therefore no monetary consideration or gain/loss has been recorded.
- Adjustments have been made in the Company's books against investments, capital accounts, and reserves as per the settlement.

**(D) Accounting Treatment**

- The above transactions have been accounted for at book values, in line with the principle that a bona fide family settlement does not constitute a commercial transfer.
- Accordingly, no profit or loss has been recognised in the Statement of Profit and Loss.

**(E) Impact on Financial Statements**

- Revenue and expenses relating to the hived-off Unit are reflected only up to 30.06.2025.
- Post hive-off and retirement, the Company's financial statements reflect only the continuing business operations.
- There is no material impact on the going concern status of the Company.

**42 Other Statutory**

**Information :**

- The company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- The company do not have any transactions with companies struck off.
- The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- The Company has not declared wilful defaulter by any bank or financial institution or Government or Government Authority.
- There is no income surrendered or disclosed as income during the current or previous year in the tax assessment under Income Tax Act, 1961 that has not been recorded in the books of accounts.
- There are no other significant events which have occurred after the reporting period.
- The company has not traded or invested in Crypto currency or Virtual currency during the financial year.

- 43** As per the information available with the Company, there are Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of Principal and Interest. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

- 44** The Company operates in a single reportable business segment, which is textile processing and related activity. Further, the Company operates primarily in India and there is no other significant geographical segment. Accordingly, no significant information has been submitted as a part of these financial statements.

**45 Previous year figures :**

Previous year figures have been regrouped to comply with current year groupings.

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

**For Shah Shroff & Associates**

**Chartered Accountants**

**ICAI firm registration number: 0128920W**

**For and on behalf of the Board of Directors of**

**Jakharia Fabric Limited**

**(Formerly known as Jakharia Fabric Private Limited)**

**CIN : L17200MH2007PLC171939**

**per Yashesh Shroff**

**Partner**

**Membership number: 103277**

**Nitin Shah**

**Director**

**[DIN: 01869318]**

**Sejal Shah**

**Director**

**[DIN:09519451]**

**Manoj Tiwari**

**Chief Financial Officer**

**Bhavin Wagela**

**Company Secretary**

**M No. A46806**

**Place: Bhiwandi**

**Date: 30th May, 2025**

**Place: Bhiwandi**

**Date: 30th May, 2025**

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**Jakharia Fabric Limited**  
**Notes forming part of Standalone Financial Statements**

**Note 1: Corporate Information:**

Jakharia Fabric Limited (JFL) is a public company and incorporated in India under the provisions of Companies Act, 1956 and its shares are listed on the SME platform (NSE Emerge) of the National Stock Exchange of India. The company is engaged in the business of dyeing and processing of fabrics on job work basis for other textile companies as well as for own manufacturing product lines.

The Standalone Financial Statement of the company for the year ended 31<sup>st</sup> March 2025, were approved by the board of directors and authorized for issue on 30<sup>th</sup> May 2025.

A significant event during the year under review was that of execution and implementation of a family settlement arrangement amongst the “Shah Family”. Consequent upon that and to give effect to the same,

the business unit located at Plot no A-13, MIDC Sarawali, Bhiwandi, Maharashtra-421302 known as unit 1 is hived off and the investment comprising of share in partnership firm has been disposed-off w.e.f. 30-06-2024.

The financial statements have been prepared after giving effect these and various transactions inter alia inter se transfer of shares amongst promoter group.

**Note 2: Significant Accounting Policies:****a) Basis of preparation and presentation:**

The Financial Statements of the company have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respect with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

As per MCA notification dated 16 February 2015, Companies whose shares are listed on SME exchange as referred to in Chapter XB of SEBI(Issue of capital and Disclosure Requirements) Regulations, 2009, are exempted from compulsory requirement of adoption of IND-AS, as the company is covered under the exempted category, it has not adopted IND-AS for preparation of financial results.

**b) Use of Estimates:**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**c) Current/Non -Current Classification:**

All assets & liabilities are presented as Current or Non-Current as per the Company's normal operating cycle and other criteria set out in Schedule III of Companies Act, 2013. Based on nature

of business, the company has ascertained its operating cycle as 12 months for the purpose of Current/Non-Current classification of assets and liabilities.

**d) Property, Plant and Equipment:**

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost includes expenses related to acquisition, installation of the concerned assets and any attributable cost of bringing the asset to the condition for the intended use. Borrowing costs attributable to the acquisition or construction of a qualifying asset are also capitalized as a part of the cost of the asset.

**Depreciation on Property, Plant and Equipment:**

Depreciation on Property, Plant and Equipment is calculated on a written down value basis using the rates arrived at based on the useful lives estimated by the management. The estimated useful life of the assets is as under:

Particulars	Useful Lives of the Assets estimated by the management (years)
Factory Building	30
Building	60
Plant & Machinery*	25
Electrical & Fitting	10
Furniture & Fixtures	10
Vehicles	8
Computers	3
Air Conditioner	5
Laboratory	10
Office Equipment	5

\*For this class of assets, based on internal technical assessment and past experience, the Management believes that the useful life as given above, best represent the period over which the Management expects the use of the assets. The useful lives of these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

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

**De-recognition:**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

**e) Impairment:**

The carrying amounts of the Company's Property Plant and Equipment and intangible assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognized whenever the carrying amount of an assets or its Cash Generating Unit (CGU) exceeds its recoverable amount. The impairment loss, if any, is recognized in the Statement of Profit and Loss in the period in which impairment takes place.

Recoverable amount is higher of an asset's fair value less cost to sell and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For calculating present value, future

cash flows are discounted using a pre-tax discount rate that reflects current market rates and the risk specific to the assets. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

Where an impairment loss subsequently reverses, the carrying amount of that asset is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior accounting periods.

**f) Investment in Associate:**

Non-current Investments in partnership firm is carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investments is assessed and written down to its recoverable amount.

The company was apportioned until 30<sup>th</sup> June 2024 in Jakharia Industries and having capital contribution of Rs. 1247.29 lakh and profit-sharing ratio of 65.12%

According to the partnership deed (as amended from time to time), key business decisions need unanimous approval of all the partners of the firm, irrespective of their profit-sharing ratio and/or capital contribution ratio. JFL does not have exclusive power to control the activities of JI and in turn, influence the returns earned from its investment in JI. Therefore, the investment in JI is categorized as investment in Associate and is in line with AS-23. Accordingly, the investment in JI has been accounted under the equity method and the same is in line as required by AS-23. (refer note no. 13 & 41(B))

**g) Inventories:**

Inventories are carried at lower of cost and net realizable value. Cost is ascertained on first-in-first out basis. The cost includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling prices in the ordinary course of business less estimated cost necessary to make the sale.

**h) Borrowing Cost:**

All borrowing costs are expensed in the period they are incurred. Borrowing cost includes interest and ancillary costs incurred in connection with the arrangement of borrowing.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset.

**i) Revenue recognition:**

Revenue from services rendered is recognized on the basis of completion of job and dispatch thereof to customers or on sale of products. Revenue is recognized on sale of products when no significant uncertainty as to its determination or realization exists.

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

**j) Employee benefits:**

Defined contribution plans and short-term employee benefits such as salary, bonus, provident fund etc. are charged to Profit & Loss account as incurred. The present value of the obligations under defined benefits plan is determined based on an actuarial valuation using the Projected Unit Credit Method. Actuarial gain and losses arising on such valuation are recognized immediately in the Profit & Loss account.

**k) Foreign currency translation:**

**i. Initial recognition:**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the standard exchange rate determined at the transaction date.

**ii. Conversion:**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

**iii. Exchange differences:**

The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

- 1) Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.
- 2) All other exchange differences are recognized as income or as expenses in the period in which they arise.

**l) Taxes on Income:**

**Current Tax:** Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

**Deferred Tax:** Deferred tax is measured on based on the tax rate and tax laws enacted or substantially enacted at the balance date. Deferred tax assets are recognized only if there is reasonable/virtual certainty that they will be realized.

**m) Provision & Contingencies:**

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**n) Earnings Per Share:**

Basic The basic earnings per share is computed by dividing the net profit or loss attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of equity shares outstanding during the year are adjusted for effects of all dilutive potential equity shares, except where the results are anti-dilutive. The number of shares and potentially dilutive equity shares are adjusted for share splits and bonus shares issued including for changes effected prior to the approval of the financial statements by the Board of Directors

**o) Cash and cash equivalents:**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



## INDEPENDENT AUDITORS' REPORT

To,

The Members of Jakharia Fabric Limited

### Report on the audit of Consolidated Financial Statements

We have audited the accompanying Consolidated financial statements of **Jakharia Fabric Limited ("the company")**, which comprise the Balance Sheet as at 31<sup>st</sup> March 2025, the Statement of Profit and Loss and the Statement of Cash Flow for the year then ended, and notes to the Consolidated Financial Statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### Auditor's Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("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 31<sup>st</sup> March 2025, and its profit and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Company in accordance with the "Code of Ethics" issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act, and the Rules there under, 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 audit opinion on the consolidated financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, for the year ended 31<sup>st</sup> March 2025 and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Emphasis of Matter

We draw attention to **Note 41 of the financial statements**. The group has entered into family settlement which was executed on 30.06.2024. The transaction emanating from the said settlement have been given effect in the present financial statement, as stated in the said note

Our opinion is not modified in respect of this matter.

### Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

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

### **Responsibility of Management and those charged with governance for consolidated financial statement**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibilities for the audit of consolidated financial statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 Companies Act, 2013, we are also

responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

### Report on Other Legal and Regulatory Requirements

3. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
4. A. As required by Section 143 (3) of the Act, we report that:
  - (h) 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.
  - (i) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (j) The Balance Sheet, the Statement of Profit and Loss, the statement of Cash Flows and Notes to the consolidated financial statements dealt with by this Report are in agreement with the books of account.
  - (k) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (l) On the basis of the written representations received from the directors as on 31/03/2025 taken on record by the Board of Directors, none of the directors is disqualified as 31/03/2025 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (m) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our



report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- (n) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

D. 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:

- vii. The Company has disclosed the impact of pending litigations on its financial position in its consolidated financial statements- refer note no 38 to the consolidated financial statements.
- viii. The Company does not have any long-term contracts including derivative contracts and therefore, no provision is required to be made for any material foreseeable losses to this effect.
- ix. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- x. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

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

- xi. Since the company has not declared or paid any dividend during the year, the question of commenting on whether dividend declared or paid is in accordance with Section 123 of the Companies Act, 2013 does not arise.
- xii. The reporting under rule 11(g) of The Companies (Audit and Auditors) Rules, 2014 is applicable from 1<sup>st</sup> April 2023.
  - d. Based on our examination which included test checks, except for the instance mentioned below, the Company has used accounting software (Tally Prime) for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software:
  - e. The Trac ERP Software for Tarapur Unit and Foxpro software for Saravali Unit used by the company for maintaining inventory did not have an audit trail feature enabled, consequently, there was no audit trail maintained for transactions recorded within this particular software for the whole year.
  - f. Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with during the course of our audit.

- E. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us

**For Shah Shroff & Associates**  
**Chartered Accountants**  
**ICAI firm registration number: 0128920W**

**Sd/-**  
**per Yashesh Shroff**  
**Partner**  
**Membership number: 103277**  
**UDIN: 25103277BMHYUC7823**

**Place: Mumbai**  
**Date: 30-05-2025**

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## “Annexure – A” to the Independent Auditors’ Report

(Refer to in paragraph on ‘Report on Other Legal and Regulatory Requirements’ section of Independent Auditors Report of even date of the members of Jakharia Fabric Limited on consolidated financial statements as at for the year ended 31<sup>st</sup> March 2025)

In terms of the information and explanations sought by us and given by the Company and the books of accounts and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i)
  - (a) The Company has **not** maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment (“PPE”).
  - (b) As explained to us, all the Property, Plant and Equipment (“PPE”) have been physically verified by the Management in a periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its activities. No material discrepancies were noticed on such physical verification.
  - (c) The title deeds of all the immovable properties of factory building which are freehold, are held in the name of the Company as at the balance sheet date. In respect of Immovable property amounting to Rs. 2.74 crores taken of lease and disclosed as Leasehold land in the consolidated financial statement, the deed of assignment has been executed in the name of the Company.
  - (d) The company has not revalued any of its property, plant and equipment and intangible assets during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at 31<sup>st</sup> March 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
  - (f) During the year, the Company has hived off its Saravali Unit pursuant to a Family Settlement Agreement dated 30.06.2025. The assets of the said unit, including immovable properties and plant & machinery, were transferred at book values to Jakharia Industries LLP. Based on the audit procedures carried out and the information and explanations provided to us, we report that the Company has maintained proper records of such assets, and the transfers have been appropriately recorded in the books of account. Title deeds of immovable properties transferred have been handed over to the transferee entity.
- (ii)
  - (a) As explained to us, physical verification of the inventories has been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its inventories. No material discrepancies were noticed on verification between the physical stock and the book records that were 10% or more in the aggregate for each class of inventory.
  - (b) The company has not been sanctioned working capital in excess of Rs.5 crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets. Accordingly, reporting under sub-clause 3(ii)(b) of the order is not applicable.
  - (c) Inventories pertaining to the hived-off unit have been physically transferred as part of the settlement. The Company has maintained proper records of inventory up to the effective date of transfer.
- (iii) During the year the Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act. However, in view of the family settlement, the outstanding balance standing

to the capital account of the company in the books of the firm is considered as amount held in trust by the firm and recorded as a loan

The aggregate amount of loan during the year, and the balance outstanding at the balance sheet date with respect to such loans are as per table given below:

Particulars	Loans (Rs. In lakh)
Aggregate amount of loans granted during the year	1247.295
Balance outstanding (gross) as at the balance sheet in respect of above cases	972.29

- (iv) The company has not advanced loans to directors including the entities in which they are interested to which provisions of section 185 of the Act apply and hence not commented upon. In our opinion and according to the information and explanations given to us, provisions of section 186 of the Act in respect of investments, loans, securities and guarantees given have been complied with by the Company.
- (v) The Company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 or any relevant provisions of the Act and rules framed thereunder. Accordingly, paragraph 3(v) of the order is not applicable to the Company.
- (vi) The Central Government has not specified the maintenance of cost records under section 148(1) of the Companies Act, 2013, for any of the products dealt by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, employees' state insurance, duty of excise sales tax, value added tax, duty of customs, service tax, goods and service tax, cess and other material statutory dues have not been regularly deposited during the year by the Company with the appropriate authorities though the delays in deposits have not been serious.
- (b) According to the information and explanations given to us and the records examined by us, outstanding statutory dues that have not been deposited by the Company on account of disputes are given below:

Name of the statute	Nature of dues	Period for which amount relates	Forum where dispute is pending	Amount
Income-tax Act, 1961	Income Tax	2015-2016	Income-tax-Assessing	2,610
Income-tax Act, 1961	Income Tax	2016-2017	CPC, Bangalore	3,30,590
Income-tax Act, 1961	TDS	2023-2024	Traces	1,47,200

- (viii) The Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- (ix) (a) The Company has not defaulted in repayment of loans or borrowings to any lender.
- (b) The Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) The Company has not taken any term loan during the year and hence, reporting under clause (ix)(c) of the Order is not applicable
- (d) On an overall examination of the financial statement of the company, we report that, prima-facia it appears that no funds raised on short-term basis have been used for long-term purpose by the company.
- (e) On an overall explanation of the financial statements of the company, we report that during the year the company has not taken any funds from an entity or person, on account of or to meet the obligation of its subsidiary or associate entity.
- (f) The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures and associate companies.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented by the Management, there was no whistle blower complaints received by the Company during the year (and upto the date of this audit report).
- (xii) As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of clause 3(xii) of the order are not applicable to the Company.
- (xiii) In our opinion the company is in compliance with section 177 and 188 of the Companies Act, 2013, where applicable for all transactions with the related parties and the details of related party transactions have been disclosed in the consolidated financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion the company has an adequate internal audit system commensurate with the size and the nature of the entity.
- (b) We have considered, the internal audit reports for the year under audit, issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedure.

- (xv) The Company has not entered into non-cash transactions with its directors or persons connected with them and hence provision of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 hence, reporting under clause (xvi)(a), (b) and (c) of the order is not applicable.
- (xvii) The company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the company during the year.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios disclosed in note 40 of the consolidated financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of the audit report that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) During the year under review, the company did not get attracted under the provision of Section 135 and accordingly, reporting under clause 3(xx) of the order is not applicable for the year.

**For Shah Shroff & Associates**  
**Chartered Accountants**  
**ICAI firm registration number: 0128920W**

**Sd/-**  
**per Yashesh Shroff**  
**Partner**  
**Membership number: 103277**  
**UDIN: 25103277BMHYUC7823**

**Place: Mumbai**  
**Date: 30-05-2025**

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**“Annexure B” to the Independent Auditor’s Report of even date on the Consolidated Financial Statements of Jakharia Fabric Limited (Formerly Known as Jakharia Fabric Private Limited).**

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

We have audited the internal financial controls over financial reporting of Jakharia Fabric Limited (Formerly Known as Jakharia Fabric Private Limited) as of 31<sup>st</sup> March 2023, in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence amount the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and operating effectiveness of internal control based on the assessed risk. The procedures selected depend upon on the auditor’s judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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

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

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding



prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 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 issues by the Institute of Chartered Accountants of India.

**For Shah Shroff & Associates**  
**Chartered Accountants**  
**ICAI firm registration number: 0128920W**

**Sd/-**  
**per Yashesh Shroff**  
**Partner**  
**Membership number: 103277**  
**UDIN: 25103277BMHYUC7823**

**Place: Mumbai**  
**Date: 30-05-2025**

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## Jakharia Fabric Limited

## Consolidated Balance sheet as at March 31, 2025

(Amount ₹ in lakhs, unless otherwise mentioned)

Particulars	Note No.	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
<b>I. EQUITY AND LIABILITIES</b>			
(1) <b>Shareholders' funds</b>			
(a) Share capital	3	406.38	406.38
(b) Reserves and surplus	4	1,809.16	1,481.77
		<b>2,215.54</b>	<b>1,888.15</b>
(2) <b>Non-Current Liabilities</b>			
(a) Long-term borrowings	5	799.43	1,088.99
(b) Deferred-tax Liabilities (net)	6	37.24	34.66
(c) Long-term provisions	7	39.25	99.48
		<b>875.92</b>	<b>1,223.13</b>
(3) <b>Current Liabilities</b>			
(b) Trade payables:-	8	2.52	66.44
(A) total outstanding dues of micro enterprises and small enterprises; and	9	763.96	1,402.64
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	9	419.10	449.54
(c) Other current liabilities	10	112.48	270.89
(d) Short-term provisions	11	100.36	151.36
		<b>1,398.42</b>	<b>2,340.86</b>
<b>TOTAL</b>		<b>4,489.88</b>	<b>5,452.14</b>
<b>II. ASSETS</b>			
(1) <b>Non-current assets</b>			
(a) Property, Plant and Equipment and Intangible assets			
(i) Property, Plant and Equipment	12	1,457.31	1,500.27
(ii) Capital work-in-progress		-	83.12
(b) Non-current investments	13	86.93	1,437.76
(c) Long-term loans and advances	14	1,625.24	719.37
(d) Other non-current assets	15	94.26	192.56
		<b>3,263.74</b>	<b>3,933.09</b>
(2) <b>Current Assets</b>			
(a) Inventories	16	113.89	240.88
(b) Trade receivables	17	847.93	1,103.23
(c) Cash and cash equivalents	18	171.78	112.67
(d) Short-term loans and advances	19	90.78	58.97
(e) Other current assets	20	1.77	3.31
		<b>1,226.15</b>	<b>1,519.06</b>
<b>TOTAL</b>		<b>4,489.88</b>	<b>5,452.14</b>
Statement of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

For Shah Shroff &amp; Associates

Chartered Accountants

ICAI firm registration number: 0128920W

For and on behalf of the Board of Directors of

Jakharia Fabric Limited

CIN : L17200MH2007PLC171939

per Yashesh Shroff

Partner

Membership number: 103277

Nitin Shah

Director

[DIN: 01869318]

Sejal Shah

Director

[DIN:09519451]

Manoj Tiwari  
Chief Financial OfficerBhavin Wagela  
Company Secretary  
M No. A46806

Place: Tarapur

Date: 30th May, 2025

Place: Tarapur

Date: 30th May, 2025

**Jakharia Fabric Limited****Consolidated Statement of Profit and Loss account for the half year ended March 31, 2025**

(Amount ₹ in lakhs, unless otherwise mentioned)

Particulars	Note No.	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
I Revenue from operations	21	6,272.45	8,822.89
II Other income	22	149.05	57.39
III <b>Total Income (I+II)</b>		<b>6,421.49</b>	<b>8,880.27</b>
IV <b>Expenses</b>			
Cost of material consumed	23	2,737.38	4,416.08
Changes in inventories of finished goods and work-in-progress	24	99.56	41.07
Employee benefits expense	25	872.36	1,530.45
Depreciation and amortization expense	26	139.60	152.68
Finance cost	27	108.90	113.68
Other expenses	28	2,023.58	2,480.92
<b>Total expenses</b>		<b>5,981.38</b>	<b>8,734.88</b>
V <b>Profit before exceptional items and tax (III – IV)</b>		440.11	145.39
VI <b>Exceptional items</b>		-	-
VII <b>Prior period income/(expenses)</b>	29	(0.13)	(1.31)
VIII <b>Profit before tax (V-VI)</b>		<b>439.98</b>	<b>144.08</b>
IX <b>Tax Expense:</b>			
Current Tax		(110.00)	(56.50)
Excess/(short) provision in earlier year		-	(3.89)
Deferred tax		(2.59)	(50.02)
X <b>Profit/(loss) after tax for the year</b>		<b>327.39</b>	<b>33.67</b>
XI <b>Earnings per equity share</b>			
(1) Basic (Face value per share Rs. 10/-)		8.06	0.83
(2) Diluted		8.06	0.83
Statement of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

**For Shah Shroff & Associates****Chartered Accountants****ICAI firm registration number: 0128920W****For and on behalf of the Board of Directors of****Jakharia Fabric Limited****CIN : L17200MH2007PLC171939****per Yashesh Shroff****Partner****Membership number: 103277****Nitin Shah****Director****[DIN: 01869318]****Sejal Shah****Director****[DIN:09519451]****Manoj Tiwari**  
**Chief Financial Officer****Bhavin Wagela**  
**Company Secretary**  
**M No. A46806****Place: Tarapur****Date: 30th May, 2025****Place: Tarapur****Date: 30th May, 2025**

## Jakharia Fabric Limited

## Consolidated statement of cash flow for the half year ended March 31, 2025

(Amount ₹ in lakhs, unless otherwise mentioned)

Particulars	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit before tax	439.98	144.08
<u>Adjustments for</u>		
Depreciation and amortization	139.60	152.68
Provision written back	105.01	-
Sundry credit balance written back (net)	(21.83)	(38.35)
Provision for doubtful debts	33.04	
Profit on sale of machinery	(13.77)	16.94
Share of loss from partnership firm	109.84	261.03
Foreign exchange gain	(0.12)	(0.18)
Interest & financial cost	108.90	113.68
Interest received	(8.25)	(18.19)
<b>Operating profit before working capital changes</b>	<b>892.41</b>	<b>631.69</b>
<b>(Increase) \ decrease in operating assets</b>		
Inventories	126.99	50.67
Trade receivables	222.38	179.88
Short term loans & advances	(31.82)	(18.34)
Other non current assets	98.30	(92.95)
Other current assets	1.54	0.44
Trade payables	(647.29)	(642.99)
Other current liabilities	(158.41)	(2.29)
Long term provisions	(165.24)	(22.23)
Short term provisions	(51.00)	30.82
	<b>(604.54)</b>	<b>(517.00)</b>
<b>Cash generated from operating activities</b>	<b>287.87</b>	<b>114.70</b>
Tax provision	(110.00)	(60.39)
<b>Net cash flow from operating activities</b>	<b>177.87</b>	<b>54.31</b>
<b><u>B. Cash flow from investing activities</u></b>		
Purchase of fixed assets	(264.91)	(121.49)
Investment in Capital WIP	-	(83.12)
Sale of fixed assets	265.16	27.00
Interest received	8.25	18.19
Investment in firm	1,240.99	786.52
<b>Net cash used in investing activities</b>	<b>1,249.49</b>	<b>627.11</b>
<b>Cash flow from financing activities</b>		
Increase / (Decrease) long term borrowings	(289.56)	(413.37)
Increase / (Decrease) in short term borrowings	(63.92)	(181.99)
Increase / (Decrease) in long term loans & advances	(905.86)	31.41
Interest & financial charges	(108.90)	(113.68)
<b>Net cash used in financing activities</b>	<b>(1,368.25)</b>	<b>(677.64)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>59.11</b>	<b>3.78</b>
<b>Cash and cash equivalents (Opening balance)</b>	<b>112.67</b>	<b>108.89</b>
<b>Cash and cash equivalents (Closing balance)</b>	<b>171.78</b>	<b>112.67</b>
<b><u>Reconciliation of cash and cash equivalent with Balance Sheet</u></b>		
Cash and cash equivalent as per balance sheet	191.74	131.36
Less: Deposit with banks with original maturity of 3-12 months	19.96	18.69
<b>Cash and cash equivalent at the end of the year as per cash flow</b>	<b>171.78</b>	<b>112.67</b>

The accompanying notes are an integral part of the financial statements.

As per our Report of even date

For Shah Shroff &amp; Associates

Chartered Accountants

ICAI firm registration number: 0128920W

For and on behalf of the Board of Directors of  
Jakharia Fabric Limited

CIN : L17200MH2007PLC171939

per Yashesh Shroff  
Partner  
Membership number: 103277Nitin Shah  
Director  
[DIN: 01869318]Sejal Shah  
Director  
[DIN:09519451]Manoj Tiwari  
Chief Financial OfficerBhavin Wagela  
Company Secretary  
M No. A46806Place: Tarapur  
Date: 30th May, 2025Place: Tarapur  
Date: 30th May, 2025

**Jakharia Fabric Limited****Notes forming part of consolidated financial statements**

(Amount ₹ in lakhs, unless otherwise mentioned)

**3 Share capital**

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
<b><u>AUTHORIZED SHARES</u></b>		
50,00,000/-Equity shares of Rs.10/- each	500.00	500.00
<b>Total</b>	<b>500.00</b>	<b>500.00</b>
<b><u>ISSUED, SUBSCRIBED &amp; FULLY PAID-UP SHARES</u></b>		
40,63,830/- (P.Y.40,63,830/-) Equity shares of Rs.10/- each	406.38	406.38
	<b>406.38</b>	<b>406.38</b>

**(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**

	March 31, 2025		March 31, 2024	
	Nos	Amount	Nos	Amount
At the beginning of the period	40.64	406.38	40.64	406.38
Add: Issued during the year	-	-	-	-
Outstanding at the end of the period	<b>40.64</b>	<b>406.38</b>	<b>40.64</b>	<b>406.38</b>

**(b) Terms/ rights attached to equity shares**

The company has one class of equity shares having par value of Rs.10/- per share. Each shareholder is eligible for one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(c) Details of shareholding more than 5% equity shares in the Company:**

	March 31, 2025		March 31, 2024	
Name of the shareholder	Nos	% holding in the class	Nos	% holding in the class
Nitin K Shah	27.385	67.39%	9.13	22.46%
Dixit M Shah	-	0.00%	3.47	8.54%
Manekchand Shah	-	0.00%	5.06	12.45%
Jakharia Synthetics Private Limited	-	0.00%	6.15	15.13%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**(d) Disclosure of shareholding of promoters:**

Disclosure of shareholding of promoters as at March 31, 2025 is as follows:

Disclosure of shareholding of promoters as at March 31, 2025 is as follows:

Promoter name	Shares held by promoter				% change during the year
	As at March 31, 2025		As at March 31, 2024		
	No. of shares	% of total shares	No. of shares	% of total shares	
Jignesh Himatlal Shah	-	-	1.37	3.37	(3.37)
Nitin Keshavji Shah #	27.385	67.39	9.13	22.46	44.93
Dixit Manikchand Shah	-	-	3.47	8.54	(8.54)
Himatlal Panachand Shah	-	-	0.61	1.50	(1.50)
Champaben Himatlal Shah	-	-	0.25	0.62	(0.62)
Suryaben Manekchand Shah	-	-	0.60	1.48	(1.48)
Manekchand Panachand Shah	-	-	5.06	12.45	(12.45)
Shejal Jignesh Shah	-	-	0.75	1.85	(1.85)
Jakharia Synthetics Private Limited	-	-	6.15	15.13	(15.13)

# Pursuant upon the family settlement, inter se transfer of shares have been effected amongst the family members and the re-classification of promoters has been noted with the stock exchange



**Jakharia Fabric Limited****Notes forming part of consolidated financial statements**

Disclosure of shareholding of promoters as at March 31, 2024 is as follows:

Promoter name	Shares held by promoter				% change during the year
	As at March 31, 2024		As at March 31, 2023		
	No. of shares	% of total shares	No. of shares	% of total shares	
Jignesh Himatlal Shah	1.37	3.37	1.37	3.37	-
Nitin Keshavji Shah	9.13	22.46	9.13	22.46	-
Dixit Manikchand Shah	3.47	8.54	3.47	8.54	-
Himatlal Panachand Shah	0.61	1.50	0.61	1.50	-
Champaben Himatlal Shah	0.25	0.62	0.25	0.62	-
Suryaben Manekchand Shah	0.60	1.48	0.60	1.48	-
Manekchand Panachand Shah	5.06	12.45	5.06	12.45	-
Shejal Jignesh Shah	0.75	1.85	0.75	1.85	-
Jakharia Synthetics Private Limited	6.15	15.13	6.15	15.13	-

**4 Reserves and surplus**

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
<b>Securities Premium :</b>		
Opening balance	2,109.39	2,109.39
Add : addition during the year	-	-
Closing balance	2,109.39	2,109.39
<b>Capital Redemption Reserves :</b>		
Opening balance	23.33	23.33
Add : addition during the year	-	-
Closing balance	23.33	23.33
<b>Surplus/ (deficit) in the statement of profit and loss</b>		
Opening balance	(650.95)	(684.62)
Profit/(Loss) for the year	327.39	33.67
<b>Net surplus in the statement of profit and loss</b>	<b>(323.56)</b>	<b>(650.95)</b>
<b>Total reserves and surplus</b>	<b>1,809.16</b>	<b>1,481.77</b>

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## Jakharia Fabric Limited

## Notes forming part of consolidated financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

## 5 Long-term borrowings

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
<b>A. Secured</b>		
Term loans from bank	-	62.18
Vehicle loan from bank and NBFC	10.47	12.77
Less : Current maturities of long term debt	(2.52)	(64.48)
(Amount disclosed under the head 'short-term borrowings' refer note no. 8)		
<b>A.....</b>	<b>7.95</b>	<b>10.47</b>

## Security:

Primary:

- First and exclusive charge by way of hypothecation on all existing and future receivables/ current assets/ movable assets/ movable fixed assets of the borrower.

\*Car loans are secured by way of hypothecation of specific vehicle.

Collateral:Equitable mortgaged of :-

- Plot no.A/13, MIDC Tarapur Industrial area, Village Pamtembhi, Taluka Palghar, Dist. Thane
- Flat no. 605, 6th Floor, Building No.2, Man Mandir Suraksha CHS, Mulund West, Mumbai - 400080 owned by Mrs. Sejal Shah
- Flat no. 504, 5th Floor, Tower 1, Gemini Building, Runwal Authurium, LBS Road, Mulund Wet, Mumbai - 400080 owned by Mr. Dixit Shah & Mr. Manekchand Shah
- Flat no. 1201, 12th Floor, B-Wing, E/6 Apartment, Nahar Sarvodaya Heights CHSL, Mulund West, Mumbai - 400080 owned by Mr. Jignesh Shah, Mr. Himmatlal Shah and Mrs. Sejal J Shah.
- Personal guarantee of following directors:  
Himmatlal Shah, Jignesh Shah, Nitin Shah, Dixit Shah and Manekchand Shah

**B. Unsecured**

From Bank and NBFC	-	1.95
Less: Current Maturities of Long Term Loan	-	(1.95)
(Amount disclosed under the head 'short-term borrowings' refer note no. 8)	-	-
From directors *	545.08	893.60
From relatives of directors *	-	65.68
From Body Corporates		-
- Related	246.40	19.24
- Others	-	100.00

\*The unsecured loans from directors / relatives have been subordinated with the bank.

<b>B.....</b>	<b>791.48</b>	<b>1,078.52</b>
<b>(A+B).....</b>	<b>799.43</b>	<b>1,088.99</b>

**Jakharia Fabric Limited****Notes forming part of consolidated financial statements**

(Amount ₹ in lakhs, unless otherwise mentioned)

**6 Deferred-tax (liabilities) /assets-(net)**

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
Deferred tax liabilities/(assets) (net)		
Depreciation	56.73	52.38
Provision for doubtful debts	(8.32)	-
MSME Creditors	(11.17)	(17.73)
	<b>37.24</b>	<b>34.66</b>

**7 Long-term provisions**

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
Provision for gratuity	33.90	97.05
Interest Provision - MSME Creditors	5.35	2.43
	<b>39.25</b>	<b>99.48</b>

**8 Short-term borrowings**

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
<b>Secured</b>		
<u>Current maturities of long term debts</u>		
Secured	2.52	64.48
Unsecured	-	1.95
	<b>2.52</b>	<b>66.44</b>

**Security:**Primary:

- First and exclusive charge by way of hypothecation on all existing and future receivables/ current assets/ movable assets/ movable fixed assets of the borrower.

Collateral:Equitable mortgaged of :-

- Plot no.A/13, MIDC Tarapur Industrial area, Village Pamtembhi, Taluka Palghar, Dist. Thane
- Flat no. 605, 6th Floor, Building No.2, Man Mandir Suraksha CHS, Mulund West, Mumbai - 400080 owned by Mrs. Sejal Shah
- Flat no. 504, 5th Floor, Tower 1, Gemini Building, Runwal Authurium, LBS Road, Mulund Wet, Mumbai - 400080 owned by Mr. Dixit Shah & Mr. Manekchand Shah
- Flat no. 1201, 12th Floor, B-Wing, E/6 Apartment, Nahar Sarvodaya Heights CHSL, Mulund West, Mumbai - 400080 owned by Mr. Jignesh Shah, Mr. Himmatlal Shah and Mrs. Sejal J Shah.
- Personal guarantee of following directors:  
Himmatlal Shah, Jignesh Shah, Nitin Shah, Dixit Shah and Manekchand Shah

## Jakharia Fabric Limited

## Notes forming part of consolidated financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

## 9 Trade payables

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
<b>Creditors</b>		
-for capital goods	63.78	29.38
-for raw material and others	1,075.68	1,742.79
-for expenses	43.60	80.01
	<b>1,183.06</b>	<b>1,852.18</b>

## Trade payable ageing schedule as at 31st March, 2025

Particulars	Outstanding for following periods from date of invoice				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	763.89	0.07	-	-	763.96
(ii) Others	405.61	13.50	-	-	419.10
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

## Trade payable ageing schedule as at 31st March, 2024

Particulars	Outstanding for following periods from date of invoice				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	1,399.15	2.89	0.59	-	1,402.64
(ii) Others	431.31	8.35	1.63	8.25	449.54
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

Micro, Small and Medium enterprises have been identified by the company on the basis of the information available.

	March 31, 2025 Amount in INR	March 31, 2023 Amount in INR
<b>Dues remaining unpaid as at 31st March</b>		
(a) Principal	763.96	1,402.64
Interest on the above	3.52	2.43
(b) Interest paid in terms of Section 16 of the act along with amount of payment made to the supplier beyond the appointed paid during the year		
Principal paid beyond the appointed date		
Interest paid in terms of Section 16 of the act	-	-
(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	-	-
(d) Further interest due and payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises	-	-
(e) Amount of interest accrued and remaining unpaid as at 31st March	-	-

## 10 Other current liabilities

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
Statutory dues payable	30.06	41.93
Salaries and wages payable	31.81	165.09
Electricity & water dues payable	27.54	63.05
Other Payable	23.01	-
Interest accrued but not due on term loans	0.07	0.82
	<b>112.48</b>	<b>270.89</b>

## 11 Short-term provisions

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
Provision for gratuity	1.22	52.22
Provision for liability (refer note no. 38)	99.14	99.14
	<b>100.36</b>	<b>151.36</b>

## Jakharia Fabric Limited

## Notes forming part of consolidated financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

## 12 Property, Plant and Equipment

As at March 31, 2025

	Gross Block				Accumulated Depreciation				Net Block	
	Value at the beginning 01.04.2024	Addition during the year	Disposal during the year	Value at the end of the period 31.03.2025	Value at the beginning 01.04.2024	Addition for the year	Disposal during the year	Value at the end of the period 31.03.2025	WDV as on 31.03.2025	WDV as on 31.03.2024
<b>A. Tangible assets</b>										
Leasehold Land	273.52	-	-	273.52	-	-	-	-	273.52	273.52
Factory Building	374.71	-	12.80	361.91	270.89	9.32	5.37	274.84	87.07	103.82
Building at Tarapur	300.88	-	-	300.88	150.38	7.25	-	157.63	143.25	150.49
Plant & Machinery (refer note no 41(A))	2,812.68	337.25	548.75	2,601.19	1,894.63	105.56	314.96	1,685.23	915.96	918.05
Computer	14.79	8.72	9.08	14.43	11.41	3.78	4.10	11.09	3.33	3.38
Office Equipment	68.16	1.44	3.13	66.46	54.48	5.70	2.83	57.35	9.11	13.68
Bike	0.53	-	0.53	-	0.51	-	0.51	-	-	0.03
Car	28.30	-	-	28.30	11.56	5.23	-	16.79	11.51	16.74
Roto Crate	3.29	-	3.29	-	2.25	0.05	2.30	-	-	1.04
Factory Shed	5.57	-	5.57	-	4.05	0.04	4.08	-	-	1.52
EPBAX System	1.78	-	1.25	0.53	1.30	0.02	0.88	0.44	0.09	0.47
Laboratory	29.79	-	2.70	27.09	25.55	0.88	2.07	24.36	2.73	4.24
Furniture	14.97	0.63	3.51	12.08	11.64	0.77	3.11	9.30	2.78	3.33
Electrical Goods	141.75	-	11.22	130.53	131.79	1.01	10.24	122.56	7.96	9.96
<b>Total Property, Plant and Equipment</b>	<b>4,070.72</b>	<b>348.03</b>	<b>601.83</b>	<b>3,816.92</b>	<b>2,571.45</b>	<b>139.60</b>	<b>350.44</b>	<b>2,359.61</b>	<b>1,457.31</b>	<b>1,500.27</b>
<b>Intangible assets</b>										
<b>Total Intangible assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>4,070.72</b>	<b>348.03</b>	<b>601.83</b>	<b>3,816.92</b>	<b>2,571.45</b>	<b>139.60</b>	<b>350.44</b>	<b>2,359.61</b>	<b>1,457.31</b>	<b>1,500.27</b>
<b>As at March 31, 2024</b>										
<b>Total assets</b>	<b>4,160.74</b>	<b>121.49</b>	<b>211.51</b>	<b>4,070.72</b>	<b>2,586.33</b>	<b>152.68</b>	<b>167.57</b>	<b>2,570.45</b>	<b>1,500.27</b>	<b>1,575.41</b>



## Jakharia Fabric Limited

## Notes forming part of consolidated financial statements

(Amount ₹ in lakhs, unless otherwise mentioned)

## 13 Non-current investments

	March 31,2025 Amount in INR	March 31,2024 Amount in INR
<b>A. Investment in equity instruments (unquoted)</b>		
(i) Shares of NKGSB Co- Operative Bank	1.00	1.00
<b>B. Investment in partnership firms :</b>		
(i) Capital Investment in Jakharia Industries		
Balance as per last balance sheet	1,357.13	2,410.98
Less : Withdrawals during the year	-	(792.82)
Less: Share of loss for the year	(109.84)	(261.03)
Less: Balance transfer to loan (refer note no 41(B))	(1,247.29)	-
	-	1,357.13

The Partner -wise break-up of Capital and Profit Sharing ratio in M/s. Jakharia Industries is as under :-

Name of the Partner	Profit Sharing Ratio	Capital as on March 31, 2025 Amount in INR	Profit Sharing Ratio	Capital as on March 31, 2024 Amount in INR
M/s. Jakharia Fabrics Private Limited	-	-	65.12%	1,357.13
Mr. Nitin Shah	-	-	1%	11.74
Mr. Himmatlal Shah	40%	535.58	19%	396.03
Mr. Jignesh Shah	40%	443.36	14%	295.70
Mr. Dixit Shah	-	-	1%	11.72
Mr. Maneckchand Shah	-	-	1%	11.72
Jakharia Synthetics Pvt Ltd	20%	280.80	-	-
		1,259.74		2,084.05
<b>Others</b>				
Tarapur Environment Protection		85.93		79.63
<b>TOTAL</b>		<b>86.93</b>		<b>1,437.76</b>

## 14 Long-term loans and advances

	March 31,2025 Amount in INR	March 31,2024 Amount in INR
Balance with government authorities	528.75	597.43
Advance income-tax (net)	124.19	121.94
Others (refer note no 41(B))	972.29	-
	<b>1,625.24</b>	<b>719.37</b>

## 15 Other non-current assets

	March 31,2025 Amount in INR	March 31,2024 Amount in INR
<b>Other non-current assets</b>		
Security deposit	74.29	173.87
Deposits with banks (with original maturity period of more than 12 months)	19.96	18.69
(Note: Held under lien by Bank against bank guarantees issued in favour of company)		
	<b>94.26</b>	<b>192.56</b>

**Jakharia Fabric Limited****Notes forming part of consolidated financial statements**

(Amount ₹ in lakhs, unless otherwise mentioned)

**16 Inventories**

	March 31,2025 Amount in INR	March 31,2024 Amount in INR
<b>Inventories</b>		
At cost or net realisable value, which ever is lower, except otherwise stated		
<u>Raw material</u>		
- Dyes and chemicals	29.01	54.81
- Others	14.34	15.97
<u>Work in Progress</u>	-	
- Fabrics	30.41	65.22
<u>Finished Goods</u>	-	
- Fabrics	40.14	104.89
(As taken, certified and valued by the management)		
	<b>113.89</b>	<b>240.88</b>

**17 Trade receivables**

	March 31,2025 Amount in INR	March 31,2024 Amount in INR
<b>Outstanding for a period exceeding six months from the date of Invoice</b>		
Secured, considered good	-	-
Unsecured, considered good	795.18	989.92
Doubtful	-	-
<b>Others</b>		
Secured, considered good	-	-
Unsecured, considered good	99.04	126.57
Doubtful	-	-
Less: provision for doubtful debts	(46.30)	(13.26)
	<b>847.93</b>	<b>1,103.23</b>

**Trade Receivables ageing schedule as at 31st March, 2025**

Particulars	Outstanding for following periods from the date of invoice					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	795.18	22.48	21.06	7.25	1.96	847.93
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered doubtful	-	-	-	-	-	-

**Trade Receivables ageing schedule as at 31st March, 2024**

Particulars	Outstanding for following periods from the date of invoice					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	989.92	60.48	33.89	6.52	12.42	1,103.23
(ii) Undisputed Trade receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables - considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered doubtful	-	-	-	-	-	-

**Jakharia Fabric Limited****Notes forming part of consolidated financial statements**

(Amount ₹ in lakhs, unless otherwise mentioned)

**18 Cash and cash equivalents:**

	March 31,2025 Amount in INR	March 31,2024 Amount in INR
Cash on hand	0.56	2.04
<u>Balance with banks</u>		
- In current accounts	59.29	(90.67)
- In fixed deposits	131.89	220.00
	191.74	131.36
Less:Deposits with banks (with original maturity period of more than 12 months)	(19.96)	(18.69)
	<u>171.78</u>	<u>112.67</u>

**19 Short-term loans and advances**

	March 31,2025 Amount in INR	March 31,2024 Amount in INR
<b>Unsecured and considered good</b>		
Advance to suppliers	70.84	13.10
Advance to employees	19.94	45.87
	<u>90.78</u>	<u>58.97</u>

**20 Other current assets**

	March 31,2025 Amount in INR	March 31,2024 Amount in INR
<b>Unsecured and considered good</b>		
Prepaid expenses	1.77	3.31
	<u>1.77</u>	<u>3.31</u>

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**Jakharia Fabric Limited****Notes forming part of consolidated financial statements**

(Amount ₹ in lakhs, unless otherwise mentioned)

**21 Revenue from operations**

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
<u>Sale of services</u>		
Job work/sales	5,776.59	8,797.34
<u>Sale of products</u>		
Finished goods	495.85	25.55
	<b>6,272.45</b>	<b>8,822.89</b>
<b>Details of finished goods</b>		
Fabrics	495.85	25.55

**22 Other income**

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
<u>Interest income:</u>		
Fixed deposit	7.90	6.91
Security deposit	0.35	3.71
Income tax refund	-	7.58
Sundry credit balance written back (net)	21.83	38.35
Dividend	0.07	0.07
Duty drawback	-	0.59
Foreign exchange gain	0.12	0.18
Excess gratuity provision	105.01	-
Profit on sale of asset	13.77	-
	<b>149.05</b>	<b>57.39</b>

**23 Cost of materials consumed**

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
<u>Other materials</u>		
Opening stock	70.77	80.37
<u>Add: Purchases</u>		
Coal and biomass	1,237.03	1,862.88
Dyes and chemicals	943.13	2,023.47
Finished goods	22.70	30.91
Grey fabric	428.89	35.75
Packing material	191.25	227.55
Stores and spares	176.84	263.24
Less : Discount on purchases	(14.60)	(37.32)
Less: Stock transferred (refer note no. )	(275.29)	-
Less: Closing stock	(43.34)	(70.77)
	<b>2,737.38</b>	<b>4,416.08</b>

**24 Changes in inventories of finished goods and work-in-progress**

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
<u>Opening stock</u>		
Work-in-progress	65.22	78.26
Finished goods	104.89	132.92
	170.11	211.18
<u>Less: Closing stock</u>		
Work-in-progress	30.41	65.22
Finished goods	40.14	104.89
	99.56	41.07

**25 Employee benefits expense**

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
Salary and wages	678.98	1,334.54
Directors remuneration	167.00	146.00
Contribution to provident and other funds	13.32	12.06
Staff welfare	11.02	8.34
Gratuity	-	26.89
Others	2.04	2.62
	<b>872.36</b>	<b>1,530.45</b>



**Jakharia Fabric Limited****Notes forming part of consolidated financial statements**

(Amount ₹ in lakhs, unless otherwise mentioned)

**26 Depreciation and amortization expenses**

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
Depreciation	139.60	152.68
	<b>139.60</b>	<b>152.68</b>

**27 Financial cost**

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
Interest expenses	107.65	112.97
Others*	1.26	0.72
	<b>108.90</b>	<b>113.68</b>

\* including bank charges, processing fees etc.

**28 Other expenses**

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
<u>Manufacturing and service cost</u>		
Cash discount	1.89	12.57
Contractors expenses	751.89	676.55
Loading and unloading charges	57.43	53.04
Packing expenses	33.05	30.56
Power and fuel	502.48	737.34
Rent, rates and taxes	27.35	64.68
Repairs and maintenance	112.14	111.48
Pollution control and others testing charges	20.26	22.32
Water expenses	54.53	63.88
	<b>1,561.03</b>	<b>1,772.41</b>
<u>Administrative &amp; Selling expenses</u>		
Brokerage	50.42	87.50
Security expenses	5.48	14.94
Computer expenses	4.52	5.30
Travelling, conveyance and petrol expenses	6.02	6.00
Selling expenses	1.68	3.54
Courier charges	0.50	0.48
Donation	0.28	1.10
GST ineligible	3.97	0.44
Insurance	6.51	8.42
Interest on statutory dues	0.31	0.89
Loss on sale of asset	-	16.94
Share of loss from partnership firm	109.84	261.03
Motor car expenses	0.80	0.54
Penalty	0.81	0.55
Printing and stationery	8.27	12.85
Provision for doubtful debts	33.04	-
Professional fees	43.40	37.86
Sundry expenses	9.79	20.00
Telephone expenses	0.32	1.05
Transport charges	170.59	223.06
Payment to Auditors (Note no.30)	6.00	6.00
	<b>462.55</b>	<b>708.51</b>
	<b>2,023.58</b>	<b>2,480.92</b>

**29 Prior period expenses**

	March 31, 2025 Amount in INR	March 31, 2024 Amount in INR
Others	0.13	1.31
	<b>0.13</b>	<b>1.31</b>

**Jakharia Fabric Limited****Notes forming part of consolidated financial statements**

(Amount ₹ in lakhs, unless otherwise mentioned)

**30 Remuneration to Auditors:**

	March 31,2025 Amount in INR	March 31,2024 Amount in INR
Audit fees	4.00	4.00
Tax audit fees	2.00	2.00
Other Service	12.21	15.01

**31 Earnings per share (EPS)**The following reflects the profit and share data used in the basic and diluted EPS computations:

	March 31,2025 Amount in INR	March 31,2024 Amount in INR
<b>Profit/ ( loss) after tax</b>	327.39	33.67
<b>Weighted average number of equity shares in calculating basic EPS</b>		
Equivalent weighted average number of equity shares at the end of the year	40.64	40.64
Diluted weighted average number of equity shares at the end of the year / period	40.64	40.64
<b>Earnings Per Share</b>	-	-
Basic EPS	8.06	0.83
Diluted	8.06	0.83

**32 Employee benefit expenses:****a) Reconciliation of defined benefit obligation:**

	March 31,2025 Amount in INR	March 31,2024 Amount in INR
Present value of DBO at start of year	149.27	143.11
Current Service Cost	7.25	32.39
Interest cost	10.79	10.76
Benefits paid	(9.14)	(20.73)
Acturial Gain /(Loss) gain	(123.06)	(16.26)
<b>Present value cost</b>	<b>35.12</b>	<b>149.27</b>

**b) Expenses recognised in Profit & Loss account**

	March 31,2025 Amount in INR	March 31,2024 Amount in INR
Current Service Cost	7.25	32.39
Interest cost	10.79	10.76
Benefits paid	-	-
Past service cost	-	-
Acturial Gain /(Loss) gain	(123.06)	(16.26)
<b>Present value cost</b>	<b>(105.01)</b>	<b>26.89</b>

**c) Net liability /(assets) recognised in Balance Sheet**

	March 31,2025 Amount in INR	March 31,2024 Amount in INR
<b>Present value of DBO</b>	35.12	149.27
<b>Fair value of Plan Assets</b>	-	-
Net Liability/ (Assets)	35.12	149.27
Less: Unrecognised Past Service Cost	-	-
Liability /(assets) recognised in Balance Sheet	35.12	149.27
of which Short Term Provision	1.22	52.22

**Jakharia Fabric Limited****Notes forming part of consolidated financial statements**

(Amount ₹ in lakhs, unless otherwise mentioned)

**33 Related party disclosures:****(a) Names of related parties and related party relationship**

<b>Name of the Party</b>	<b>Description of Relationship</b>
M/s. Jakharia Synthetics Private Limited	Enterprise over which directors have significant influence.
M/s. Jakharia Industries	Enterprise over which directors have significant influence.
M/s. Dixit Processors	Enterprise over which directors have significant influence.
M/s. KKP Fashion Private Limited	Enterprise over which directors have significant influence.
M/s. Jakharia Processors LLP	Enterprise over which directors have significant influence.
M/s. Viscot Rayons	Enterprise over which directors have significant influence.

**Key managerial personnel**

Mr. Nitin Shah	Managing Director
Mrs. Sejal Shah	Executive Director from 25.04.2024
Mr. Himmatlal Shah	Whole Time Director till 05.09.2024
Mr. Jignesh Shah	Director till 05.09.2024
Mr. Dixit Shah	Whole Time Director till 05.09.2024
Mr. Manekchand Shah	Whole Time Director till 05.09.2024
Mr. Mukul Jayantilal Vora	Independent Director
Mr. Jawahar Desai	Independent Director
Mr. Ajitsingh Ghorpade	Independent Director
Mr. Manoj Tiwari	Chief Financial Officer
Mr. Vijay Thakkar	Company Secretary till 06.08.2024
Mr. Bhavin Waghela	Company Secretary from 10.08.2024

**(b) Related party transaction****(i) The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:**

	<b>Nature of Transaction</b>	<b>March 31,2025 Amount in INR</b>	<b>March 31,2024 Amount in INR</b>
M/s. Jakharia Industries (refer note no. 41)	Investments	(1,247.29)	(792.82)
M/s. Jakharia Industries (refer note no. 41)	Loan Given	1,247.29	-
M/s. Jakharia Industries (refer note no. 41)	Loan returned	275.00	-
M/s. Jakharia Processors LLP	Loan Received	23.05	-
M/s. Jakharia Processors LLP (refer note no. 41)	Business Transfer	231.50	-
M/s. KKP Fashion Private Limited	Loan Received	775.00	716.02
M/s. KKP Fashion Private Limited	Loan Paid	563.10	716.02
M/s. KKP Fashion Private Limited	Interest paid	16.96	21.38
M/s. KKP Fashion Private Limited	Sales	30.84	25.39
M/s. KKP Fashion Private Limited	Brokerage	-	0.26
Mr. Nitin Shah	Interest paid	62.80	34.90
Mr. Dixit Shah	Interest paid	14.50	14.68
Mr. Manekchand Shah	Interest paid	6.93	15.39
Mrs. Rinkal D Shah	Interest paid	-	7.11
Mrs. Sejal Shah	Interest paid	0.27	-
M/s. Viscot Rayons	Purchase	33.37	17.60

**(ii) Remuneration to key managerial personnel:**

	<b>March 31,2025 Amount in INR</b>	<b>March 31,2024 Amount in INR</b>
Mr. Dixit Shah	18.00	72.00
Mr. Manekchand Shah	6.00	24.00
Mr. Nitin Shah	90.00	50.00
Mrs. Sejal Shah	63.00	-
Mr. Manoj Tiwari	7.75	6.08
Mr. Vijay Thakkar	0.68	3.60
Mr. Bhavin Waghela	2.80	-

**(iii) Outstanding balances**

<b>Name of the Party</b>	<b>March 31,2025 Amount in INR</b>	<b>March 31,2024 Amount in INR</b>
<b>(a) Receivables</b>		
KKP Fashion Private Limited	-	1.05
<b>(b) Payables</b>		
KKP Fashion Private Limited	1.70	-
Jakharia Processors LLP	0.00	-
Viscot Rayons	30.92	18.30
<b>(c) Investments</b>		
M/s. Jakharia Industries (refer note no.41 )	-	1,357.13
<b>(d) Rent Payable</b>		
Mr. Himatlal Shah	4.80	4.80
<b>(f) Unsecured Loan</b>		
Mr. Dixit Shah	-	325.90
Mr. Manekchand Shah	-	141.10
Mr. Nitin Shah	481.94	426.59
Mrs. Rinkal D Shah	-	65.68
KKP Fashion Private Limited	246.40	19.24
Mrs. Sejal N Shah	73.21	-
<b>(f) Loans and advances</b>		
Mr. Manoj Tiwadi	4.00	4.00
M/s. Jakharia Industries (refer note no.41 )	972.29	-

**Jakharia Fabric Limited****Notes forming part of consolidated financial statements**

(Amount ₹ in lakhs, unless otherwise mentioned)

**34 Foreign currency balance:**

	March 31,2025 Amount in INR	March 31,2024 Amount in INR
Payable	-	7.53

**35 Contingent liabilities:**

(To the extent not provided for)

	March 31,2025 Amount in INR	March 31,2024 Amount in INR
Disputed Income-tax	4.80	3.33
Bank guarantee	95.92	95.92
	<u>100.72</u>	<u>99.25</u>

**36 Corporate Social Responsibility (CSR):**

As per section 135 of the Companies Act 2013 along with the Companies (Corporate Social Responsibility Policy) Rules, 2014 read with DPS guidelines no. F.No. 15 (13)/2013-DPE(GM), the Company is required to spend, in every financial year, at least two percent of the average net profits of the Company during the three immediately preceding financial years in accordance with its CSR Policy.

During the period under review, the company did not meet this criteria and therefore was not required to spend any amount towards CSR activity.

Particulars	March 31,2025 Amount in INR	March 31,2024 Amount in INR
a. Amount required to be spent by the company during the year	Nil	Nil
b. Amount of expenditure incurred on :		
i. Construction/acquisition of any assets	-	-
ii. On purpose other than (i) above	-	-
c. Shortfall at the end of the year	-	-
d. Total of previous years shortfall	-	-
e. Reason for shortfall	NA	NA
f. Nature of CSR activities	NA	NA
g. Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	NA	NA

- 37** The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of accounts, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of accounts along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses accounting software (Tally Prime) for maintaining its books of account which have a feature of recording audit trail (edit log) facility. The company uses Trac ERP software for Tarapur Unit and Foxpro software for Saravali Unit for recording of inventory. With regard to the tally prime, the audit trail (edit log) facility has been operational throughout the year for all relevant transactions recorded in the accounting software. However, in Trac ERP software and Foxpro software which is used for maintaining inventory records the audit trail (edit log) facility has not been operational throughout the period under audit.

- 38** Penalty amounting to INR 251.54 lakhs has been levied by NGT for alleged violation of environmental norms by the Company at its factory located at Tarapur MIDC. As per the directions of the Honourable Supreme Court dated December 14, 2020, the Company has deposited 30% of the penalty amounting to INR 75.46 lakhs which was disclosed as recoverable advance in financial year 2020-21. The order of penalty was stayed by the Honourable Supreme Court and has directed to hear the case afresh by giving opportunity to the concerned parties. Pursuant to the directions of the Honourable Supreme Court dated December 14, 2020, National Green Tribunal had reheard the matter and vide its direction dated January 24, 2022 had reduced the portion of compensation attributable to the company for alleged violations of environmental norms of manufacturers at Tarapur MIDC to an amount of of Rs.98.88 lakhs from Rs.251.51 lakhs. In view of the same the company has debited penalty amounting to INR 98.88 lakhs in the financial year 2021-22.

**Jakharia Fabric Limited****Notes forming part of consolidated financial statements**

(Amount ₹ in lakhs, unless otherwise mentioned)

**39 Returns filed with banks with respect to working capital facilities availed by the**

The working capital has been paid off during the year under review.

**40 Key Ratios**

Ratio	Numerator	Denominator	March 31, 2025	March 31, 2024	% Variance	Reason for variance
(a) Current Ratio	Total Current Assets	Total Current Liabilities	0.88	0.65	(35.12)	Improved due to better working capital management
(b) Debt-Equity Ratio	Total Borrowing	Total Equity	0.36	0.61	40.85	Reduced because of repayment of borrowing.
(c) Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Noncash operating expenses + Interest + Other non-cash	Debt service = Interest and lease payments + Principal repayments	5.52	2.04	(1.70)	Ratio increase on account of increased earning in the current year.
(d) Return on Equity Ratio	Loss for the period less Preference dividend (if any)	Average total equity	0.16	0.02	(786.68)	Improvement in profitability ratio.
(e) Inventory Turnover Ratio	Cost of goods sold = Cost material Consumed + Purchases of stock in trade + Change in inventories of Finished Goods, Work in progress and Stock in trade	Average Stock	15.99	16.74	4.48	Ratio has improved as there is increase in revenue over previous year.
(f) Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivables	6.43	7.40	(13.06)	Ratio has weakened due to increase in revenue.
(g) Trade Payables Turnover Ratio	Net purchase = Purchase of Stock in trade + Purchase of Raw Material	Average Trade Payables	4.64	2.95	56.93	Ratio has weakened due to year end purchase.
(h) Net Capital Turnover Ratio	Revenue from Operations	Working Capital = Total Current Asset - Total Current Liabilities	(36.41)	(10.74)	(239.15)	
(i) Net Profit Ratio	Profit for the period	Revenue from Operations	0.0522	0.00	(1,267.53)	Net profit margin of current year is better than previous year due to higher sales.
(j) Return on Capital Employed	Earning before finance cost and tax	Capital employed = Tangible Net worth + Total Borrowings + Deferred Tax Liabilities(if any)	0.18	0.08	(114.78)	Improvement in profitability ratio.

**41** During the financial year 2024-2025, in order to give effect to the oral family understanding of July 2022, the members of the promoter/family of Jakharia group entered into a family settlement to amicably restructure their respective shareholdings, business interests, and control rights across various entities within the Group. The arrangement was executed through mutual consent, to avoid any likely dispute or litigation, and was formalized via a written memorandum of family arrangement dated 30-06-2024. The understandings as emanating from the family arrangement were as under:

- The family arrangement separated and compartmentalised the ownership, management and control of different "Jakharia group entities" and distribute the same amongst the three groups defined therein comprising of "Jignesh group", "Nitin group" and "Dixit group"
- The ownership, management and control of the Saravali unit of the company shall be with Dixit group
- The ownership, management and control of M/s Jakharia Industries and Jakharia Synthetic Pvt Ltd shall be with Jignesh Group consequent upon this, the company shall retire from the firm M/s Jakharia Industries in which it was partner
- The brand name "Jakharia" can be used by all the groups
- The promoted group has since been reclassified the inter se transfer of shares have been effected amongst the family members such as to align in line with the family settlement arrangement

The implementation of family settlement involved transaction to give effect to the same, major transactions inter alia which have impact on the financial statement are below:

**(A) Hive-off of Saravali Unit**

- The Saravali Unit of the Company, engaged in processing of grey fabrics, was hived off in favour of Jakharia Processors LLP.
- In terms of the Family Settlement, all assets and liabilities pertaining to the Saravali Unit, including plant and machinery, inventories, receivables, payables, employees, and related operational obligations, were transferred as on 30th June 2024 at their respective book values.
- Operations of the Saravali Unit have been included in the Company's financial statements only up to 30th June 2024. Subsequent to that, the Company has no continuing involvement in the said Unit.



**(B) Retirement from Partnership Firm**

- The Company was a partner in Jakharia Industries with 65% share of profits. Under the Family Settlement, the Company has retired from the said firm with effect from 30.06.2025.
- The capital balance of ₹ 12,47,29,461 standing to the credit of the Company in the books of the Firm were settled as per the terms of the agreement, without any dispute.
- No goodwill has been recognised or received by the Company in respect of its retirement, as the transaction was affected as part of the overall family arrangement.

**(C) Consideration and Settlement Terms**

- Both the hive-off of the Unit and the retirement from the Partnership Firm were affected at book values.
- The transfers were in the nature of family realignment and therefore no monetary consideration or gain/loss has been recorded.
- Adjustments have been made in the Company's books against investments, capital accounts, and reserves as per the settlement.

**(D) Accounting Treatment**

- The above transactions have been accounted for at book values, in line with the principle that a bona fide family settlement does not constitute a commercial transfer.
- Accordingly, no profit or loss has been recognised in the Statement of Profit and Loss.

**(E) Impact on Financial Statements**

- Revenue and expenses relating to the hived-off Unit are reflected only up to 30.06.2025.
- Post hive-off and retirement, the Company's financial statements reflect only the continuing business operations.
- There is no material impact on the going concern status of the Company.

**42 Other Statutory****Information :**

- The company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
  - The company do not have any transactions with companies struck off.
  - The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
  - The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
  - The Company has not declared wilful defaulter by any bank or financial institution or Government or Government Authority.
  - There is no income surrendered or disclosed as income during the current or previous year in the tax assessment under Income Tax Act, 1961 that has not been recorded in the books of accounts.
  - There are no other significant events which have occurred after the reporting period.
  - The company has not traded or invested in Crypto currency or Virtual currency during the financial year.
- 43 As per the information available with the Company, there are Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of Principal and Interest. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.
- 44 The Company operates in a single reportable business segment, which is textile processing and related activity. Further, the Company operates primarily in India and there is no other significant geographical segment. Accordingly, no significant information has been submitted as a part of these financial statements.

**45 Previous year figures :**

Previous year figures have been regrouped to comply with current year groupings.

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The accompanying notes are an integral part of the financial statements.

As per our Report of even date

For Shah Shroff & Associates

Chartered Accountants

ICAI firm registration number: 0128920W

For and on behalf of the Board of Directors of

Jakharia Fabric Limited

(Formerly known as Jakharia Fabric Private Limited)

CIN : L17200MH2007PLC171939

per Yashesh Shroff  
Partner  
Membership number: 103277

Nitin Shah  
Director  
[DIN: 01869318]

Sejal Shah  
Director  
[DIN:09519451]

Manoj Tiwari  
Chief Financial Officer

Bhavin Wagela  
Company Secretary  
M No. A46806

Place: Bhiwandi  
Date: 30th May, 2025

Place: Bhiwandi  
Date: 30th May, 2025

**Jakharia Fabric Limited**  
**Notes forming part of Consolidated Financial Statements**

**Note 1: Corporate Information:**

Jakharia Fabric Limited (JFL) is a public company and incorporated in India under the provisions of Companies Act, 1956 and its shares are listed on the SME platform (NSE Emerge) of the National Stock Exchange of India. The company is engaged in the business of dyeing and processing of fabrics on job work basis for other textile companies as well as for own manufacturing product lines.

The Consolidated Financial Statement of the company for the year ended 31<sup>st</sup> March 2025, were approved by the board of directors and authorized for issue on 30<sup>th</sup> May 2025.

There was family settlement entered into amongst the “Shah family” which was executed on 30<sup>th</sup> June 2024. Consequent upon that and to give effect to the same,

the business unit located at Plot no A-13, MIDC Sarawali, Bhiwandi, Maharashtra-421302 known as unit 1 is hived off and the investment comprising of share in partnership firm has been disposed-off w.e.f. 30-06-2024.

The financial statements have been prepared after giving effect these and various transactions inter alia inter se transfer of shares amongst promoter group.

**Note 2: Significant Accounting Policies:****p) Basis of preparation and presentation:**

The Financial Statements of the company have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respect with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

As per MCA notification dated 16 February 2015, Companies whose shares are listed on SME exchange as referred to in Chapter XB of SEBI(Issue of capital and Disclosure Requirements) Regulations, 2009, are exempted from compulsory requirement of adoption of IND-AS, as the company is covered under the exempted category, it has not adopted IND-AS for preparation of financial results.

**q) Use of Estimates:**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**r) Current/Non -Current Classification:**

All assets & liabilities are presented as Current or Non-Current as per the Company's normal operating cycle and other criteria set out in Schedule III of Companies Act, 2013. Based on nature of business, the company has ascertained its operating cycle as 12 months for the purpose of Current/Non-Current classification of assets and liabilities.

**s) Property, Plant and Equipment:**

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost includes expenses related to acquisition, installation of the concerned assets and any attributable cost of bringing the asset to the condition for the intended use. Borrowing costs attributable to the acquisition or construction of a qualifying asset are also capitalized as a part of the cost of the asset.

**Depreciation on Property, Plant and Equipment:**

Depreciation on Property, Plant and Equipment is calculated on a written down value basis using the rates arrived at based on the useful lives estimated by the management. The estimated useful life of the assets is as under:

Particulars	Useful Lives of the Assets estimated by the management (years)
Factory Building	30
Building	60
Plant & Machinery*	25
Electrical & Fitting	10
Furniture & Fixtures	10
Vehicles	8
Computers	3
Air Conditioner	5
Laboratory	10
Office Equipment	5

\*For this class of assets, based on internal technical assessment and past experience, the Management believes that the useful life as given above, best represent the period over which the Management expects the use of the assets. The useful lives of these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013.

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

**De-recognition:**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

**t) Impairment:**

The carrying amounts of the Company's Property Plant and Equipment and intangible assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amounts are estimated in order to determine the extent of impairment loss, if any. An impairment loss is recognized whenever the carrying amount of an assets or its Cash Generating Unit (CGU) exceeds its recoverable amount. The impairment loss, if any, is recognized in the Statement of Profit and Loss in the period in which impairment takes place.

Recoverable amount is higher of an asset's fair value less cost to sell and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. For calculating present value, future cash flows are discounted using a pre-tax discount rate that reflects current market rates and the risk specific to the assets. Fair value less cost to sell is the best estimate of the amount obtainable from the sale of asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

Where an impairment loss subsequently reverses, the carrying amount of an asset is increased to the revised estimate of its recoverable amount, however subject to the increased carrying amount not exceeding the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized for the asset in prior accounting periods.

**u) Investment in Associate:**

Non-current Investments in partnership firm is carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investments is assessed and written down to its recoverable amount.

The company was apportioned until 30<sup>th</sup> June 2024 in Jakharia Industries and having capital contribution of Rs. 1247.29 lakh and profit-sharing ratio of 65.12%

According to the partnership deed (as amended from time to time), key business decisions need unanimous approval of all the partners of the firm, irrespective of their profit-sharing ratio and/or capital contribution ratio. JFL does not have exclusive power to control the activities of JI and in turn, influence the returns earned from its investment in JI. Therefore, the investment in JI is categorized as investment in Associate and is in line with AS-23. Accordingly, the investment in JI has been accounted under the equity method and the same is in line as required by AS-23. (refer note no. 13 & 41(B))

**v) Inventories:**

Inventories are carried at lower of cost and net realizable value. Cost is ascertained on first-in-first out basis. The cost includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling prices in the ordinary course of business less estimated cost necessary to make the sale.

**w) Borrowing Cost:**

All borrowing costs are expensed in the period they are incurred. Borrowing cost includes interest and ancillary costs incurred in connection with the arrangement of borrowing.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset.

**x) Revenue recognition:**

Revenue from services rendered is recognized on the basis of completion of job and dispatch thereof to customers or on sale of products. Revenue is recognized on sale of products when no significant uncertainty as to its determination or realization exists.

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

**y) Employee benefits:**

Defined contribution plans and short-term employee benefits such as salary, bonus, provident fund etc. are charged to Profit & Loss account as incurred. The present value of the obligations under defined benefits plan is determined based on an actuarial valuation using the Projected Unit Credit Method. Actuarial gain and losses arising on such valuation are recognized immediately in the Profit & Loss account.

**z) Foreign currency translation:**

**i. Initial recognition:**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the standard exchange rate determined at the transaction date.



**ii. Conversion:**

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

**iii. Exchange differences:**

The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items as below:

- 3) Exchange differences arising on long-term foreign currency monetary items related to acquisition of a fixed asset are capitalized and depreciated over the remaining useful life of the asset.
- 4) All other exchange differences are recognized as income or as expenses in the period in which they arise.

**aa) Taxes on Income:**

**Current Tax:** Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

**Deferred Tax:** Deferred tax is measured on based on the tax rate and tax laws enacted or substantially enacted at the balance date. Deferred tax assets are recognized only if there is reasonable/virtual certainty that they will be realized.

**bb) Provision & Contingencies:**

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**cc) Earnings Per Share:**

**Basic** The basic earnings per share is computed by dividing the net profit or loss attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) and the weighted average number of equity shares outstanding during the year are adjusted for effects of all dilutive potential equity shares, except where the results are anti-dilutive. The number of shares and potentially dilutive equity shares are adjusted for share splits and bonus shares issued including for changes effected prior to the approval of the financial statements by the Board of Directors

**dd) Cash and cash equivalents:**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.



## NOTICE OF THE 18TH ANNUAL GENERAL MEETING

To,

The Members of

**JAKHARIA FABRIC LIMITED**

(CIN: L17200MH2007PLC171939)

Registered Office Plot no. A-13, MIDC Tarapur,  
Boisar, Palghar – 401506, Maharashtra

Notice is hereby given that the **18<sup>th</sup> Annual General Meeting** of the members of **JAKHARIA FABRIC LIMITED** will be held on **Tuesday, 30<sup>TH</sup> September, 2025 at 4.00 P.M.** through **Video Conference (VC) / other Audio Visual means (OAVM)** facility to transact with or without modification(s) the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Standalone Audited financial statements and Consolidated Audited Financial Statements of the Company for the year 2024-25 ended 31<sup>st</sup> March 2025, comprising of the Standalone & Consolidated Balance Sheet as at 31<sup>st</sup> March 2025, Standalone & Consolidated Statement of Profit & Loss and Standalone & Consolidated Statement of Cash Flow for the year 2024-25 ended 31<sup>st</sup> March 2025, together with the Report of the Statutory Auditors and Board's Report thereon.
2. To re-appoint **Mrs. Sejal Nitin Shah (DIN: 09519451)** Director, who retires by rotation and being eligible, offers himself for re-appointment.
3. To Appoint **M/s. V J Shah & Co., Chartered Accountants**, as the Statutory Auditors of the Company and to fix their remuneration:

To consider, and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

[including any statutory modification(s) or re-enactment thereof] and as recommended by the Audit Committee and the Board of Directors of the Company, **M/s. V J Shah & Co., Chartered Accountants**, (Firm Registration Number 109823W) be and are hereby appointed as the Statutory Auditors of the Company, to hold office for a term of Five consecutive years from the conclusion of the 18<sup>th</sup> Annual General Meeting (AGM) until the conclusion of the 23<sup>rd</sup> AGM of the Company, on such remuneration as may be mutually agreed upon between the Board of Directors and the Statutory Auditors.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, things and matters and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

### **SPECIAL BUSINESS:**

**4. Increase in the Authorised Share Capital and consequent alteration to the capital clause of the Memorandum of Association:**

**To consider and, if though fit to pass with or without modification the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provision of section 13, 61, 64 and all other applicable provisions of the Companies Act, 2013 and rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), applicable provisions of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Including any statutory modifications or reenactments thereof, for the time being in force) and in accordance with the Articles of Association of the Company, approval of the members be and is hereby accorded to increase the Authorized share capital of the Company from Rs. 5,00,00,000 (Rupees Five Crores Only) divided into 50,00,000 (Fifty Lakhs) Equity shares of Rs. 10/- each to Rs. 13,00,00,000/- (Rupees Thirteen Crores) divided into 1,30,00,000 (One Crore Thirty Lakhs) Equity Shares of having face value of Rs.10/- (Rupees Ten Only) by creation of additional Rs. 8,00,00,000 (Rupees Eight Crore)

divided into 80,00,000 (Eighty Lakhs) Equity Shares of Rs. 10/- each and consequently, the existing Clause V of the Memorandum of Association of the Company be and is hereby altered and substituted by the following as new Clause V:-

**“V. The Authorised Share Capital of the Company is Rs. 13,00,00,000/- (Rupees Thirteen Crores), divided into 1,30,00,000 (One Crore Thirty Lakhs) Equity Shares of Rs. 10/- (Rupee Ten Only) each.”**

**RESOLVED FURTHER THAT** the Board of Directors of the Company and/or the Company Secretary be and is hereby severally authorised to do all such acts, deeds, matters and things, as in its absolute discretion, it may consider, necessary, expedient or desirable in order to give effect to this resolution, including but not limited to filing necessary e-forms with the Registrar of Companies and incorporation of amendments/ suggestions/ observations, if any, made by the Registrar of Companies to the extent applicable, and to execute all deeds, applications, documents and writings that may be required on behalf of the Company and generally to do all acts, deeds, matters and things as they may, in their absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters in relation/ consequential to this Resolution without seeking any further consent or approval of the Members or otherwise, to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution”.

#### **5. ISSUE OF BONUS EQUITY SHARES OF COMPANY:**

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

**“RESOLVED THAT**, in accordance with Section 63 and other applicable provisions of the Companies Act, 2013, including any statutory modification(s) or re-enactment thereof for the time being in force), the relevant provisions of the Memorandum and Articles of Association of the Company and the recommendation of the Board of Directors (hereinafter referred to as 'The Board', which expression shall be deemed to include a committee of directors duly authorized in this

behalf) of the Company and subject to the regulations and guidelines issued by the Securities and Exchange Board of India (SEBI), including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (as amended from time to time) and applicable Regulatory Authorities,”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Foreign Exchange Management Act, 1999 (“FEMA”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and other applicable regulations, rules and guidelines issued by SEBI and the Reserve Bank of India (“RBI”) from time to time and such permissions, sanctions and approvals as may be required in this regard, the consent of the Members of the Company be and is hereby accorded to the Board for capitalization of such sum standing to the credit of securities premium / free reserves of the Company, as may be considered necessary by the Board, for the purpose of issuance of **81,27,660 equity shares of Rs.10/- (Rupees Ten Only)** each as bonus shares, credited as fully paid-up shares to the holders of the existing equity shares of the Company, whose names appear in the Register of Members maintained by the Company’s Registrars and Transfer Agents / List of Beneficial Owners, as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), on such date ('record date') as may be fixed in this regard by the Board, in the proportion of 2:1 i.e. 2 (Two) new equity share for every 1 (One) existing equity shares held by the Members.

**RESOLVED FURTHER THAT**, the Bonus Shares so allotted shall rank pari passu in all respects with the fully paid-up equity shares of the Company as existing on the 'record date' (as determined by the Board) and shall always be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company.

**RESOLVED FURTHER THAT** if as a result of implementation of this resolution, any member becomes entitled to a fraction of new equity shares to be allotted as bonus shares, the Company shall not issue any certificate or coupon in respect of such fractional shares and the fractional shares will be ignored.

**RESOLVED FURTHER THAT** no letter of allotment shall be issued in respect of the Bonus Shares and in case of Members who hold shares in dematerialized form, the bonus shares shall be credited to the respective beneficiary accounts of the Members with their respective Depository participants.

**RESOLVED FURTHER THAT** in accordance with the ICDR Regulations, the new equity shares to be allotted pursuant to the bonus issue shall be allotted in dematerialized form only and shall be credited to the respective beneficiary accounts of the members with their respective Depository Participant(s). With respect to the members holding equity shares in physical form, the Company shall credit the bonus equity shares to a new demat suspense account or to a demat account in the name of a trustee of a trust to be settled by the Company to hold these shares till they are credited to the beneficiary accounts of the respective members holding equity shares in physical form

**RESOLVED FURTHER THAT** the issue and allotment of the Bonus shares to Non- resident Members, Foreign Institutional investors (FIIs) & other foreign investors, be subject to the approval of the RBI, as may be necessary.

**RESOLVED FURTHER THAT,** for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things and to give such directions as may be necessary or expedient and to settle any question, difficulty or doubt that may arise in this regard, as the Board in its absolute discretion may deem necessary or desirable and its decision shall be final and binding.”

**6. Regularisation of Additional Director Mr. Ronak Gunvantbhai Mistry (DIN: 08782781) as Independent Director of the Company.**

To consider appointment of Mr. Ronak Mistry (DIN: 08782781) as Independent Director and if thought fit, to pass with or without modifications, the following resolution as **Ordinary Resolution**.

**RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152, and Section 178 read with schedule IV and Section 161(1) read with Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable

provisions, of the Companies Act, 2013 (including any statutory modifications or reenactment thereof for the time being in force), Consent of the members be and is hereby accorded, to appoint Mr. Ronak Mistry as an Non-Executive Independent Director of the Company from the conclusion of 18th Annual General Meeting of the Company till the conclusion of 23<sup>rd</sup> Annual General Meeting of the company.”

**RESOLVED FURTHER THAT** any of the Director or Company Secretary of the company for the time being be and are hereby severally authorized to sign and execute all such documents and papers (including appointment letter etc.) as may be required for the purpose and file necessary e-form with the Registrar of Companies and to do all such acts, deeds and things as may be considered expedient and necessary in this regard.”

**7. Appointment of Secretarial Auditor for a period of 5 years**

To appoint Secretarial Auditors for the term of 5 (five) consecutive years and in this regard to consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder and Regulations of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended from time to time (including any statutory modification(s) or amendment(s) thereto or reenactment(s) thereof for the time being in force), and as recommended by the Audit Committee and the Board, consent of the Shareholders of the Company be and is hereby accorded to appoint Nagdev & Associates, Practicing Company Secretaries (CPNo: 19177 and Peer Review Certificate No. 1271/2021 as Secretarial Auditor of the Company to conduct secretarial audit for the first term of five consecutive years commencing from FY 2025-26 till FY 2029-30 on such remuneration and reimbursement of out of pocket expenses for the purpose of audit as may be approved by the Board of Directors of the Company”.

**“RESOLVED FURTHER THAT** approval of the members be and is hereby accorded to the



Board to avail or obtain from the Secretarial Auditor, such other services or certificates, reports, or opinions which the Secretarial Auditors may be eligible to provide or issue under the applicable laws, at a remuneration to be determined by the Audit committee/Board of Directors of the Company”.

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things as in his absolute discretion it may think necessary, expedient or desirable to give effect to this resolution.”

#### NOTES:

- 1) An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto. The relevant details of the Director seeking appointment/re- appointment under Item No. 2 pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and as required under Secretarial Standards - 2 on General Meetings issued by The Institute of Company Secretaries of India, is provided in **‘Annexure- A’** of this Notice.
- 2) The Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 5th May, 2020 read with the subsequent circulars issued from time to time, the latest one being General Circular No. 09/2024 dated 19th September, 2024 (MCA Circulars), has allowed the Companies to conduct the Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) till 30th September, 2025. In compliance with the provisions of the Companies Act, 2013 (the Act), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (Listing Regulations) and MCA Circulars, the 18<sup>th</sup> AGM of the Company shall be conducted through VC/OAVM. The deemed venue for the 18<sup>th</sup> AGM will be the Registered Office of the Company Plot No A 13, MIDC Tarapur, Boisar, District – Palghar 401 506.
- 3) In terms of the MCA Circulars since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, in pursuance of Section 113 of the Act, representatives of the Institutional/Corporate Members may be appointed for the purpose of voting through remote e-Voting, for participation in the AGM through VC/OAVM Facility and e-Voting during the AGM.
- 4) The attendance of the Members participating in the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- 5) In line with the MCA Circulars and SEBI Circular, the notice of the AGM along with the Annual Report are being sent only by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories. Members may please note that this Notice and Annual Report will also be available on the Company’s website [www.jakhariafabric.com](http://www.jakhariafabric.com) website of the Stock Exchange i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com) and also on the website of the RTA at <https://ivote.bigshareonline.com/current-events>.
- 6) Members may join the AGM through VC/OAVM facility by following the procedure as mentioned below which shall be kept open for the Members from 30 minutes before the time scheduled to start the AGM and the

Company may close the window for joining the VC/OAVM facility at 30 minutes after the scheduled time to start the AGM.

- 7) Members may note that the VC/OAVM facility, provided by NSDL, allows participation of 1,000 Members on a first-come-first-serve basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the AGM without any restriction on account of first-come-first-serve principle.
- 8) Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, the Company is providing remote e- Voting facility to its Members in respect of the business to be transacted at the AGM and facility for those Members participating in the AGM to cast vote through e-Voting system during the AGM.
- 9) The Register of Members and Share transfer Books of the Company will remain closed from **Tuesday 23<sup>rd</sup> September, 2025 to Tuesday 30<sup>th</sup> September, 2025** (both days inclusive).
  - a) Members are requested to:
    - (i) Send all share transfer lodgments (Physical mode)/ correspondence to the Registrar and Share Transfer Agent up to the record date.

- (ii) Write to the Compliance Officer of the Company for their queries or if desirous of obtaining any information, concerning the accounts and operations of the Company, at the Company's Registered Office at least seven days before the date of the Annual General Meeting in order to enable the management to keep the information ready at the meeting.

- (iii) The Securities and Exchange Board of India has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are requested to submit their PAN to their Depositories Participant(s). Members holding shares in physical form shall submit their PAN details to R&TA.

- (iv) Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Mis. Bigshare Services Private Limited in case the shares are held by them in physical form.

- (v) Members, who are holding Shares in identical order of names in more than one Folio, are requested to apply to the Company/ R&TA along with the relevant Share Certificates for consolidation of such Folios in one Folio.

- (vi) Members are informed that in case joint holders attend the Meeting, only such joint holder who is higher in the order of names in the Register of Members/ Beneficial Holders will be entitled to vote.



- b) As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, M/s. Bigshare Services Private Limited for assistance in this regard.
- c) As per Sections 101, 136 and other applicable provisions of the Companies Act, 2013, read with the Rules made there under and circulars issued by the Ministry of Corporate Affairs, Companies can now send various reports, documents, communications, including but not limited to Annual Reports to its Members through electronic mode at their registered e-mail addresses. The Company believes in green initiative and is concerned about the environment. Hence, Annual Report including inter alia the Report of the Board of Directors, Auditors' Report, Balance Sheet, Statement of Profit and Loss, Cash Flow Statement, notice of this AGM, instructions for e-voting, etc. is being sent by electronic mode to all Members whose addresses are registered with the Company/ R&TA/ depositories.
- d) To support "Green initiative", Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses with their depository participants, in respect of electronic holdings. Members holding shares in physical form are requested to kindly register their e-mail addresses with the

Company's R&TA at their abovementioned address. Annual Report is also available on the Company's website at

<https://www.jakhariafabric.com/investor-relationship>.

- e) Our Company's shares are tradable compulsorily in electronic form and through Bigshare Services Pvt. Ltd., Registrars and Share Transfer Agents; we have established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). The International Securities Identification Number (ISIN) allotted to your Company's shares under the Depository system is INE00N401018. As on 31<sup>st</sup> March, 2025, 99.02% of our company's shares were held in dematerialized form and the rest are in physical form. To enable us to serve our investors better, we request shareholders whose shares are in physical mode to dematerialize shares and to update their bank accounts with the respective Depository Participants.
- f) In view of the Circular issued by the SEBI for appointing common agency for both the modes of transfers i.e. Physical as well as Demat, the Company has already appointed M/s. Bigshare Services Pvt. Ltd. as Registrar & Transfer Agent for both the modes of transfers i.e. Physical as well as Demat. Members are therefore requested to send their grievances to them for early disposal at the address given below:

#### **BIGSHARE SERVICES PVT. LTD.**

Office No: S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400 093.

- g) The Company was not having any pending unclaimed dividend to be transferred to

Investor Education and Protection Fund (IEPF) in Pursuant to the provisions of Section 125 of the Companies Act, 2013.

### THE INSTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- ❖ The voting period begins on Friday, 26th September, 2025 (9:00 am IST) and will end on Monday, 29<sup>th</sup> September, 2025 (5:00 pm IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut off date (record date) Tuesday, 23<sup>rd</sup> September, 2025 may cast their vote electronically. The e-voting module shall be disabled by Bigshare for voting thereafter.
- ❖ Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- ❖ Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- ❖ In terms of SEBI circular no. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest is <a href="https://web.cdslindia.com/myeasitoken/home/login">https://web.cdslindia.com/myeasitoken/home/login</a> or visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of <b>BIGSHARE</b> the e-Voting service provider and you will be re-directed to <b>i-Vote</b> website for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. <b>BIGSHARE</b>, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration">https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress, and also able to directly access the system of all e-Voting Service Providers. Click on <b>BIGSHARE</b> and you will be re-directed to <b>i-Vote</b> website for casting your vote during the remote e-voting period.</li> </ol>
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name <b>BIGSHARE</b> and you will be re-directed to <b>i-Vote</b> website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile.</li> </ol>

	<p>Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name <b>BIGSHARE</b> and you will be redirected to <b>i-Vote</b> website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>4) For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page with all e-Voting Service Providers. Click on <b>BIGSHARE</b> and you will be re-directed to <b>i-vote (E-voting website)</b> for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free No. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022- 48867000.



2. Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on “**LOGIN**” button under the ‘**INVESTOR LOGIN**’ section to Login on E-Voting Platform.
- Please enter you ‘**USER ID**’ (User id description is given below) and ‘**PASSWORD**’ which is shared separately on you register email id.
  - Shareholders holding shares in **CDSL demat account** should enter **16 Digit Beneficiary ID** as user id.
  - Shareholders holding shares in **NSDL demat account** should enter **8 Character DP ID followed by 8 Digit Client ID** as user id.
  - Shareholders holding shares in **physical form** should enter **Event No + Folio Number** registered with the Company as user id.

**Note** If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).

- Click on **I AM NOT A ROBOT (CAPTCHA)** option and login.

**NOTE:** If Shareholders are holding shares in demat form and have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on ‘**LOGIN**’ under ‘**INVESTOR LOGIN**’ tab and then Click on ‘**Forgot your password?**’
- Enter “**User ID**” and “**Registered email ID**” Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on ‘**Reset**’.

*(In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address).*

**Voting method for shareholders on i-Vote E-voting portal:**

- After successful login, **Bigshare E-voting system** page will appear.
- Click on “**VIEW EVENT DETAILS (CURRENT)**” under ‘**EVENTS**’ option on investor portal.
- Select event for which you are desire to vote under the dropdown option.
- Click on “**VOTE NOW**” option which is appearing on the right hand side top corner of the page.
- Cast your vote by selecting an appropriate option “**IN FAVOUR**”, “**NOT IN FAVOUR**” or “**ABSTAIN**” and click on “**SUBMIT VOTE**”. A confirmation box will be displayed. Click “**OK**” to confirm, else “**CANCEL**” to modify. Once you confirm, you will not be allowed to modify your vote.
- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- Shareholder can “**CHANGE PASSWORD**” or “**VIEW/UPDATE PROFILE**” under “**PROFILE**” option on investor portal.

3. **Custodian registration process for i-Vote E-Voting Website:**



- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on “**REGISTER**” under “**CUSTODIAN LOGIN**”, to register yourself on Bigshare i-Vote e-Voting Platform.
- Enter all required details and submit.
- After Successful registration, message will be displayed with “**User id and password will be sent via email on your registered email id.**”

**NOTE:** If Custodian have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.

- If you have forgotten the password: Click on ‘**LOGIN**’ under ‘**CUSTODIAN LOGIN**’ tab and further Click on ‘**Forgot your password?**’
- Enter “**User ID**” and “**Registered email ID**” Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on ‘**RESET**’.

*(In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address).*

#### **Voting method for Custodian on i-Vote E-voting portal:**

- After successful login, **Bigshare E-voting system** page will appear.

#### **Investor Mapping:**

- First you need to map the investor with your user ID under “**DOCUMENTS**” option on custodian portal.
  - Click on “**DOCUMENT TYPE**” dropdown option and select document type power of attorney (POA).
  - Click on upload document “**CHOOSE FILE**” and upload power of attorney (POA) or board resolution for respective investor and click on “**UPLOAD**”.

Note: The power of attorney (POA) or board resolution has to be named as the “**InvestorID.pdf**” (Mention Demat account number as Investor ID.)

  - Your investor is now mapped and you can check the file status on display.

#### **Investor vote File Upload:**

- To cast your vote select “**VOTE FILE UPLOAD**” option from left hand side menu on custodian portal.
- Select the Event under dropdown option.
- Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on “**UPLOAD**”. Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).
- Custodian can “**CHANGE PASSWORD**” or “**VIEW/UPDATE PROFILE**” under “**PROFILE**” option on custodian portal.
- 

#### **Helpdesk for queries regarding e-voting:**

Login type	Helpdesk details
Shareholder's other than individual shareholders holding shares in Demat mode & Physical mode.	In case shareholders/ investor have any queries regarding E-voting, you may refer the Frequently Asked Questions ('FAQs') and i-Vote e-Voting module available at <a href="https://ivote.bigshareonline.com">https://ivote.bigshareonline.com</a> , under download section or you can email us to <a href="mailto:ivote@bigshareonline.com">ivote@bigshareonline.com</a> or call us at 022-62638338

#### **4. Procedure for joining the AGM/EGM through VC/ OAVM:**

**For shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:**

- The Members may attend the AGM through VC/ OAVM at <https://ivote.bigshareonline.com> under Investor login by using the e-voting credentials (i.e., User ID and Password).
- After successful login, **Bigshare E-voting system** page will appear.
- Click on “**VIEW EVENT DETAILS (CURRENT)**” under ‘**EVENTS**’ option on investor portal.
- Select event for which you are desire to attend the AGM/EGM under the dropdown option.
- For joining virtual meeting, you need to click on “VC/OAVM” link placed beside of “**VIDEO CONFERENCE LINK**” option.
- Members attending the AGM/EGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

**The instructions for Members for e-voting on the day of the AGM/EGM are as under:-**

- The Members can join the AGM/EGM in the VC/ OAVM mode 15 minutes before the scheduled time of the commencement of the meeting. The procedure for e-voting on the day of the AGM/EGM is same as the instructions mentioned above for remote e-voting.
- Only those members/shareholders, who will be present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM/EGM.
- Members who have voted through Remote e-Voting will be eligible to attend the EGM. However, they will not be eligible to vote at the AGM/EGM.

#### **Helpdesk for queries regarding virtual meeting:**

In case shareholders/ investor have any queries regarding virtual meeting, you may refer the Frequently Asked Questions ('FAQs') available at <https://ivote.bigshareonline.com>, under download section or you can email us to [ivote@bigshareonline.com](mailto:ivote@bigshareonline.com) or call us at: 1800 22 54 22, 022-62638338.

**Date: 06.09.2025**

**By order of the Board**  
**For Jakharia Fabric Limited**  
 Sd/-  
**Bhavin Waghela**  
**Company Secretary**

**Registered Office:**  
 Plot no. A-13, MIDC Tarapur, Boisar, Palghar –  
 401506, Maharashtra.  
 Email: [info@jakhariafabric.com](mailto:info@jakhariafabric.com)

**EXPLANATORY STATEMENT:****Item No. 3**

M/s. SHAH SHROFF & ASSOCIATES, Chartered Accountants, (Firm Registration No. 0128920W), were appointed as Statutory Auditors of the Company at the 13<sup>th</sup> Annual General Meeting ('AGM') of the Company held on 31<sup>st</sup> December, 2020, for a period of five consecutive years effective from the conclusion of the 13<sup>th</sup> AGM upto the conclusion of the 18<sup>th</sup> AGM of the Company. Hence, the tenure of M/s. SHAH SHROFF & ASSOCIATES, Chartered Accountants, as the Statutory Auditors of the Company will be completed at the conclusion of the 18<sup>th</sup> AGM of the Company.

The Board of Directors of the Company (the Board), at its meeting held on 6<sup>th</sup> September, 2025, considering the experience and expertise and based on the recommendation of the Audit Committee, has proposed to the Members of the Company, appointment of M/s. V J Shah & Co., Chartered Accountants (Firm Registration No. 109823W), as Statutory Auditors of the Company in place of M/s. SHAH SHROFF & ASSOCIATES, Chartered Accountants, (Firm Registration No. 0128920W). The proposed appointment is for a term of 5 (Five) consecutive years from the conclusion of 18<sup>th</sup> AGM till the conclusion of the 23<sup>rd</sup> AGM on payment of such remuneration as may be mutually agreed upon between the Board of Directors and the Statutory Auditors, from time to time.

There is no material change in the remuneration proposed to be paid to M/s. V J Shah & Co., Chartered Accountants, for the statutory audit to be conducted for the financial year ending 31<sup>st</sup> March, 2026 vis-à-vis the remuneration paid to M/s. SHAH SHROFF & ASSOCIATES, the retiring Statutory Auditors, for the statutory audit conducted for the financial year ended 31<sup>st</sup> March, 2025.

The remuneration for the subsequent year(s) of their term will be determined based on the recommendation of the Audit Committee and as mutually agreed between the Board of the Company and the Statutory Auditors of the Company.

After evaluating all proposals and considering various factors such as independence, industry experience, technical skills, audit team, audit quality, reports, etc., V J Shah & Co., Chartered Accountants has been recommended to be appointed as the Statutory Auditors of the Company for the three consecutive years.

The Board recommends the resolution set out at Item No. 3 of the Notice for approval of the shareholders of the Company by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are interested, financially or otherwise, in the resolution set out at Item No. 3 of this Notice.

**Item No. 4**

Considering the overall business growth, future expansion and the operational needs, the Company needs to raise funds for its operations by various means. Further the Company also want to capitalise the profit of Company. Hence while the Company considers various options for fund raising and capitalisation of profit, it is proposed to increase the Authorised Share Capital as per applicable provisions of the Companies Act, 2013 and rules made there under.

It is therefore deemed appropriate to increase the existing authorized share capital of the Company from Rs. 5,00,00,000 (Rupees Five Crores Only) divided into 50,00,000 ( Fifty Lakhs) Equity shares of Rs. 10/- each to Rs. 13,00,00,000/- (Rupees Thirteen Crores) divided into 1,30,00,000 (One Crore Thirty Lakhs) Equity Shares of having face value of Rs.10/- (Rupees Ten Only) by creation of additional Rs. 8,00,00,000 (Rupees Eight Crore)

divided into 80,00,000 (Eighty Lakhs) Equity Shares of Rs. 10/- each ranking pari-passu in all respect with the existing Equity Share of the Company.

Consequently, the existing clause V of the Memorandum of Association of the Company needs to be altered accordingly for deletion of the previous authorised share capital and substitution of the proposed increased Authorised Share Capital.

The aforesaid increase in Authorised Share Capital and subsequent alteration of clause V of Memorandum of Association will require approval of the Members through Ordinary Resolution.

The proposed resolution is in the interest of the Company and your Directors recommend the resolution set out in the Notice as Item No. 4 for your approval.

None of the Directors and Key Managerial Personnel of the Company or their relatives are directly or indirectly concerned or interested in the Resolutions.

#### Item No. 5

As you all are aware that the Company's shares have been listed on NSE SME platform since 2018. Over the years, the Company has performed well both in terms of profit and business. With a view to capitalize the Security Premium Account and Free Reserve and to rationalize the capital structure, Board of Directors in its meeting held on Saturday, 6<sup>th</sup> September, 2025 have proposed to issue bonus shares at the ratio of 2:1 [i.e. 2 (Two) new fully paid up equity shares for every 1 (One) equity share held]. This bonus allotment will also rationalize the paid-up capital of the company.

**(\*Equity Shares being fractional shares will be ignored and no allotment will be made for the fractional Equity Shares)**

Existing and proposed authorised and paid-up Share Capital of the Company is mentioned below::

Type of Capital	Existing Share Capital			Proposed Share Capital		
	No of eq Shares	Face Value (Rs.)	Total Share Capital	No of eq Shares	Face Value (Rs.)	Total Share Capital
Authorized Share Capital	50,00,000	10	5,00,00,000	<b>1,30,00,000</b>	10	<b>13,00,00,000</b>
Issued, Paid up and Subscribed Capital	40,63,830	10	4,06,38,300	1,21,91,490	10	12,19,14,900

As per the provisions of Sections 63 of the Companies Act, 2013, approval of the shareholders is required to be accorded for issuance of Bonus Shares to the members of the Company by way of passing an Ordinary Resolution.

Members are requested to note that in terms of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, the new equity shares to be allotted pursuant to the bonus issue shall be allotted in dematerialised form only.

With respect to the bonus shares of members holding equity shares in physical form who have not provided their demat account details to the Company, the said bonus shares shall be credited in dematerialised form to a new demat suspense account or to a demat account in the name of a trustee of a trust to be settled by the Company to hold these shares till they are credited to the beneficiary accounts of the respective members holding equity shares in physical form. The voting rights on the bonus equity shares held in the demat suspense account / trust account, shall remain frozen



Accordingly, the Directors recommend the matter and the resolution set out under Item no. 5 for the approval of the Members by way of passing an Ordinary Resolution.

Pursuant to Section 102 of the Companies Act, 2013, The Board of Directors of the Company do hereby confirm that none of its Director or Key Managerial Personnel and their immediate relatives are concerned or interested, financially or otherwise, except to their shareholding, in the aforesaid resolution.

#### Item No. 6

Pursuant to the provisions of Sections 149, 150, 152, 161 and other applicable provisions of the Companies Act, 2013 ('the Act') and rules made thereunder, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and the Articles of the Association of the Company, and on considering the expertise, skills, knowledge of Mr. RONAK GUNVANTBHAI MISTRY (DIN:08782781), the Board of Directors ('Board') of the Company on the recommendation of the Nomination and Remuneration Committee ('NRC'), has recommended to appoint him as the Independent Director of the Company for a period of five consecutive years to be effective from the conclusion of the 18<sup>th</sup> Annual General Meeting ('AGM') of the Company, who will not be liable to retire by rotation.

In view of this, it is proposed to appoint Mr. RONAK GUNVANTBHAI MISTRY as the Independent Director on the Board of the Company for a period of five consecutive years to be effective from the conclusion of the 18<sup>th</sup> AGM of the Company, who will not be liable to retire by rotation.

In the opinion of the Board of the Company, Mr. RONAK GUNVANTBHAI MISTRY fulfil the conditions specified in the Act and rules made thereunder read with the Listing Regulations for their appointment as the Independent Director of

the Company and he is independent of the management.

The Board of the Company considers that association of Mr. RONAK GUNVANTBHAI MISTRY would be beneficial for the Company and accordingly, it is desirable to avail his services as the Independent Director of the Company. The Board of the Company is of opinion that Mr. RONAK GUNVANTBHAI MISTRY is person of integrity, possess relevant expertise and vast experience and he meets the criteria of independence and on the recommendation of the NRC, the Board of the Company recommends appointment of Mr. RONAK GUNVANTBHAI MISTRY as the Independent Director of the Company.

The Company has received notices in writing from the member(s) under Section 160 of the Act proposing the candidature of Mr. RONAK GUNVANTBHAI MISTRY for the office of Director of the Company. He is not disqualified from being appointed as the Director in terms of Section 164 of the Act and the Company has also received declaration from Mr. RONAK GUNVANTBHAI MISTRY that he meet the criteria of independence as stipulated under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and his consent to act as the Director.

The disclosures prescribed under Regulation 36 of the Listing Regulations read with the provisions of the Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India are provided in Annexure of the Notice.

Accordingly, the Board recommends the resolution in relation to the appointment of Mr. RONAK GUNVANTBHAI MISTRY as the Independent Director, for the approval by the shareholders of the Company.

None of the other Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice



**Item No. 7**

Appointment of Secretarial Auditor for a period of 5 year Pursuant to Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, every listed company is required to get Secretarial Audit report form the practicing company secretary, to their board's report in compliance of section 134 (3) of the Act.

Accordingly, based on the recommendation of Audit Committee, The Board has appointed Nagdev & Associates, Practicing Company Secretaries (CP No: 19177 and Peer Review Certificate No. 1271/2021, as the Secretarial Auditor of the Company from the conclusion of the 18<sup>th</sup> Annual General Meeting (AGM) until the conclusion of the 23<sup>rd</sup> AGM, subject to shareholders' approval at the Annual General Meeting on such remuneration as mutually decided with Board.

Nagdev & Associates is a peer-reviewed Practicing Company Secretaries, registered with the Institute of Company Secretaries of India (ICSI). They possesses over 8 years of experience in the areas of corporate compliance, legal services, secretarial audits of listed and unlisted companies, as well as governance, compliance management, and other assurance services.

**By order of the Board**  
**For Jakharia Fabric Limited**  
**Sd/-**  
**Bhavin Waghela**  
**Company Secretary**  
**Date: 06.09.2025**

**Registered Office:**  
**Jakharia Fabric Limited**  
**Plot no. A-13, MIDC Tarapur, Boisar,**  
**Palghar – 401506, Maharashtra**  
**Email: [info@jakhariafabric.com](mailto:info@jakhariafabric.com)**

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**'Annexure A to Notice of AGM'**

**Details of director seeking re-appointment & appointment pursuant to regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2, issued by ICSI are as under:**

**Re-appointment of Directors, liable to retire by rotation:**

Name of the Director	Mrs. Sejal Nitin Shah	Mr. Ronak Gunvantbhai Mistry
Director Identification No.	09519451	08782781
Qualification	Mrs. Sejal Nitin Shah is qualified as BHMS (Dr.) and having Master degree in Physiology.	Mr. Ronak Gunvantbhai Mistry has completed Graduation in Commerce stream from Mumbai University in 2013. He has done the MBA from Welingkar Institute of Management in 2025.
Experience (including expertise in specific functional areas) / Brief Resume	Mrs. Sejal Nitin Shah aged 47 years is qualified as BHMS (Dr.) and having Master degree in Physiology. Being in textile business family she also holds a good command over the technicalities and the production processes.	He is having total 12 years of experience in the technical, financials and managerial area.
Terms and Conditions of Re-appointment	Executive Director, liable to retire by rotation	Independent Director, not liable to retire by rotation
Remuneration proposed to be paid (including sitting fees if any) and remuneration last drawn	Mrs. Sejal Nitin Shah will be entitled to a remuneration by way of sitting fees as approved by the board of directors from time to time.	Mr. Ronak Gunvantbhai Mistry will be entitled only sitting fees as approved by the board of directors from time to time.
Date of first appointment on the Board	14/11/2023	01/05/2025
Shareholding in the Company including shareholding as a beneficial owner as on date of Notice	Nil	Nil
Relationship with other Directors / Key Managerial Personnel	Mrs. Sejal Nitin Shah is spouse of Mr. Nitin Shah, Managing Director of the Company and directly and / or indirectly related to the promoter of the Company.	N.A.
Number of meetings of the Board attended during the financial year	9	Nil
Directorships held in other companies including listed companies	K.K.P FASHIONS PRIVATE LIMITED (Director)	1) ARCO INFRA VENTURE PVT. LTD. 2) KIN-TEX ENGINEERS PVT. LTD.

		3) BTC ENERGY VENTURE PVT. LTD.
Directorships in listed entities from which the director has resigned in the past three years	Nil	Nil
Membership / Chairmanship of the Committees of the Board of other entities	Nil	Nil

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