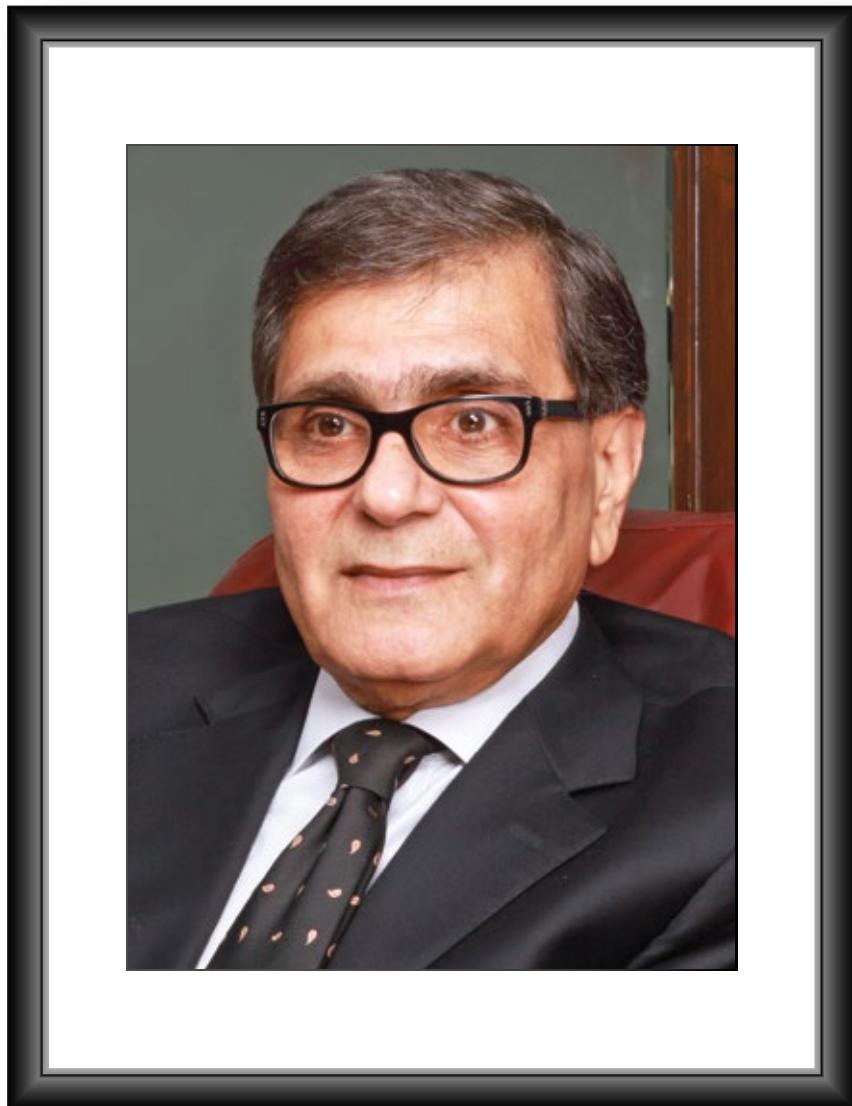


ZODIAC CLOTHING COMPANY LTD.  
41<sup>st</sup> ANNUAL REPORT 2024-2025



Mr. Anees Yusuf Noorani

11.12.1950 - 29.07.2025

Chairman, Zodiac Clothing Co. Ltd.

## **A LIFE LIVED WITH PURPOSE. A LEGACY TAKEN AHEAD WITH PRIDE.**

Mr. Anees Noorani joined the House of Zodiac in 1968, driven by an unwavering determination & a resolute vision. To drive the legacy of his father, M. Y. Noorani to unprecedented heights.

After booking the first volume order for shirts from a customer in Sweden in 1969, he spearheaded the successful expansion of ZODIAC's export business, establishing a strong presence across Europe with a strong & strategic focus on Germany.

Leveraging the learnings from the AMP (Advanced Management Program) that he completed at Harvard Business School, he established Zodiac's first professional management team and scaled both the brand and the company's operations to new levels of excellence and performance.

Under his leadership and guidance, the company listed on the Bombay Stock Exchange on 12th August 1994 with him serving as its first Managing Director from 1994 to 2017.

With his unflagging commitment to the company's direction and success, he continued to lead the company as Vice Chairman from 2002, and subsequently as Chairman from 2020.

Passionate about the growth and development of the clothing industry in India, he played a key role across major industry bodies. He was a Member of the Managing Committees of the Apparel Export Promotion Council, Bombay Chamber of Commerce & Industry, The Clothing Manufacturers' Association of India, and the Indo-German Chamber of Commerce. His sharp insights influenced several decisions through his positions on the Board of Governors of the National Institute of Fashion Technology, as well as on the Steering Group on Investment & Growth in the Textile Industry, set up by the Government of India.

He also served as President of the Indo-German Chamber of Commerce, on the Managing Committee of the Indo-German Consultative Group, and as an independent Director of Indian Oil Corporation Limited.



Mohamed Yusuf Noorani

24.05.1930 – 20.11.2019

Founder Chairman Zodiac Clothing Co. Ltd.

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**B O A R D      O F      D I R E C T O R S**

AS ON 31<sup>ST</sup> MARCH 2025

Mr. A. Y. Noorani

Chairman

Mr. V. M. Apte

Mr. S. R. Iyer

Mr. Dilip Thakkar

Ms. Elizabeth Jane Hulse

Amb. Ahmad Javed

Dr. Naushad Forbes

Mr. S. Y. Noorani

Vice Chairman & Managing Director

Mr. Awais Noorani

Executive Director- Exports

Mr. Adnan Noorani

Executive Director- Digital

**REGISTERED OFFICE**

Nyloc House, 254,  
D-2, Dr. Annie Besant Road,  
Worli, Mumbai - 400 030  
Tel : 022-66677000  
Fax : 022-66677279

**SOLICITORS**

AZB & Partners  
AZB House, Peninsula Corporate Park,  
Lower Parel, Mumbai - 400 013

**CHIEF FINANCIAL OFFICER**

Mr. B. Mahabala

**COMPANY SECRETARY**

Mr. Kumar Iyer

**STATUTORY AUDITORS**

MSKA & Associates  
602, Floor 6, Raheja Titanium  
Western Express Highway,  
Geetanjali Railway Colony,  
Ram Nagar, Goregaon (E),  
Mumbai- 400063, India

**REGISTRAR & TRANSFER AGENTS OFFICE**

KFin Technologies Limited  
Selenium Tower B, Plot 31 & 32,  
Financial District, Nanakramguda, Serilingampally  
Mandal, Hyderabad- 500 032, Telangana  
Email id: einward.ris@kfintech.com  
Toll Free Number: 1-800-309-4001  
Website: www.kfintech.com

**FACTORIES**

- Yelahanka,  
Bangalore - 560 063.
- Koramangala,  
Bangalore - 560 099.
- Bommasandra  
Bangalore - 560 099
- A-1, 181 / 1, GIDC, Umbergaon,  
Valsad, Gujarat - 396 171.
- C-2 / 7, GIDC Industrial Area, Umbergaon,  
Valsad, Gujarat - 396 171.
- Plot No. 411, GIDC, Umbergaon,  
Valsad, Gujarat - 396 171

**BANKERS**

HDFC Bank Limited  
Trade World, A Wing,  
Kamala Mills Compound,  
Lower Parel, Mumbai - 400 013

RBL Bank Limited  
One Indiabulls Centre,  
Tower 2B, 6th Floor,  
841, Senapati Bapat Marg,  
Lower Parel West, Mumbai – 400 013

Bank of Maharashtra  
Apeejay House,  
D V Gandhi Marg,  
Fort Mumbai - 400 001

ICICI Bank Limited  
Nyloc House, 254,  
D-2, Dr. Annie Besant Road,  
Worli, Mumbai - 400 030

**SUBSIDIARIES**

- Zodiac Clothing Co. S.A.
- Zodiac Clothing Co. (U.A.E.) LLC
- Zodiac Clothing Bangladesh Limited
- Zodiac Clothing Company INC
- Zela Technologies INC, Delaware, USA
- Zodiac Clothing Co. Pvt. Ltd., UK  
(w.e.f. 5<sup>th</sup> June, 2024)

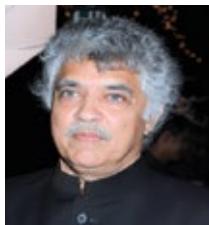
## DIRECTORS' BIOGRAPHIES



### **Late Mr. A. Y. Noorani**

Chairman (Upto 29<sup>th</sup> July, 2025)

Late Mr. A.Y. Noorani joined the House of Zodiac in 1968. After successfully developing its export business and scaling up its overall operations, he completed the Advanced Management Programme at Harvard Business School. He served as the Managing Director from March 1994 till February 2017, Vice Chairman from 2002 to 2019, and Chairman from February 2020 till 29th July, 2025. He oversaw the corporate affairs and finance functions of the Company and its subsidiaries as a Director. He also served as a Director on Indian Oil Corporation, President of the Indo-German Chamber of Commerce, and as a member of the Managing Committees of the Apparel Export Promotion Council, Bombay Chamber of Commerce & Industry, Clothing Manufacturers' Association of India, Indo-German Consultative Group, and on the Board of Governors of the National Institute of Fashion Technology. He was also part of the Steering Group on Investment & Growth in the Textile Industry set up by the Government of India.



### **Mr. V. M. Apte**

Director

Mr. Vaman Apte hails from a family with historic ties to the textile business as owners of several textile mills in India. Growing up in the textile business, he has a rich and varied business experience. He is presently the Chairman of Dr. Writers Food Products Pvt Ltd., & consultant at Plastocrafts Industries Pvt Ltd. He received his Bachelors degree in Arts from Ruia College. He has also been avidly involved in competitive sports as captain of teams in cricket and squash, winning several national awards. He was a former member of the Managing Committee of Willingdon Sports Club, executive committee member of the Cricket Club of India, executive Committee Member Squash Rackets Federation of India and Chairman of Squash Rackets Association of Maharashtra.



### **Mr. S. R. Iyer**

Director

Mr. S.R. Iyer has a vast knowledge and rich experience in banking as the former Managing Director of the State Bank of India and also the Managing Director of State Bank of Mysore. He was also the former Chairman of the Credit Information Bureau (India) Ltd., Director of the National Stock Exchange of India Ltd., & GE Capital Business Process Management Services Pvt. Ltd. He is presently Chairman of Waterfield Advisors Pvt Ltd, Waterfield Financial and Investment Advisors Pvt Ltd, Infrastructure Finance Credit Committee of Aditya Birla Finance Ltd and a Director of P N Writer and Company Pvt Ltd, Writer Lifestyle Pvt Ltd, Writer Safeguard Pvt Ltd, Writer Business Services Pvt Ltd.



### **Ms. Elizabeth Jane Hulse**

Director (Upto 11<sup>th</sup> August, 2025)

Ms. Elizabeth Jane Hulse has a BA (Hons) Degree in Textiles, and over four decades of varied experience in the clothing industry in the UK. She is well-versed in textile designing, fabric sourcing and purchasing, Brand and Product Management and Buying. She has worked with reputed clothing companies and retailers such as British Van Heusen, Tootal Menswear and the Burton Group, and was Head of a highly successful UK operation for Zodiac for over a decade.



### **Dr. Naushad Forbes**

Director

Dr. Naushad Forbes is the Co-Chairman of Forbes Marshall, India's leading Steam Engineering and Control Instrumentation firm and chairs the Steam Engineering Companies within the group. Completing his Bachelors, Masters and PhD Degrees in engineering from Stanford University, he was a Consulting Professor there from 1987 to 2004, where he developed and taught courses on Technology in Newly Industrializing Countries. He has since long been an active member of CII and was its president for 2016 – 17. Additionally, he has at various times chaired the National Committees on Higher Education, Innovation, Technology, and International Business. He is presently, Chairman of the Center for Technology Innovation and Economic Research in Pune, and is currently a Director on the Board of Ctier Impact Forum, Ralson Tyres Ltd., CSEP Research Foundation, Nayanta Education Foundation, Singapore- India Partnership Foundation (India), Bajaj Holdings & Investment Ltd., Bajaj Finserv Ltd., Bajaj Finance Ltd., Bajaj Auto Ltd., and the various companies of the Forbes Marshall Group.

**Mr. S. Y. Noorani**

Vice Chairman & Managing Director

Mr. S. Y. Noorani joined the House of Zodiac in 1982, and became Jt Managing Director in the year 1994. He was responsible for setting up the company's state-of-the-art of manufacturing facilities and international marketing operations in London, Dusseldorf and New York, and expanding the retail business of the company. He oversees the management of the Company and leads a dynamic team of professionals in the running of the Company ranging from design and manufacturing to sales and marketing which has successfully launched the brand ZOD! and Z3 in the Indian market. Mr. S. Y. Noorani has also served on the Managing Committees of Indo- Italian Chamber of Commerce as well as Clothing Manufacturers Association of India, and was a member of the National Council of CII & Co- Chairman of Apparel Committee of CII.

**Mr. Dilip J. Thakkar**

Director

Mr. Dilip J. Thakkar is an eminent Chartered Accountant and has over 63 years of experience in Finance and Corporate matters. He specializes in the Foreign Exchange Management Act, and advises overseas corporations and large Indian Companies on Investments, taxation and collaboration. He was a past President of Bombay Chartered Accountants Society. He also serves as the Director of in Essar Bulk Terminal (Salaya) Limited, Black Box Limited, Premier Limited, Pudumjee Paper Products Limited, Universal Trustees Private Limited, Maribel Custodian Services Private Limited and Hamlet Constructions (India) Private Limited. Further, he is also a Designated Partner of Jayantilal D Thakkar & Associates LLP and Jayantilal D Thakkar & Co LLP.

**Amb. Ahmad Javed**

Director

Ambassador Ahmad Javed is a highly distinguished and decorated IPS officer of the 1980 batch, Maharashtra Cadre, and a seasoned diplomat. An alumni of the prestigious St. Stephen's College, New Delhi, he has dedicated almost four decades to law enforcement and public service for India. He has served as Joint Commissioner of Police (Law & Order) Mumbai, Commissioner of Police Solapur City, as well as Commissioner of Police Navi Mumbai. He retired as DGP Maharashtra - Commissioner of Police, Mumbai. He then moved on to diplomatic service as the Ambassador of India to Saudi Arabia from 2016 to 2019. Ambassador Ahmad's experience spans maintenance of law and order, crisis handling and management, administration and human resources, international relations, strategy and policy formulation, and conflict resolution. He has been honoured with the Police Medal for Meritorious Service, and the Director General's Insignia. He shares his vast experience as an Advisor and Independent Director on the Board of several organizations.

**Mr. Awais Noorani**

Director

Mr. Awais Noorani is a seasoned professional with over 30 years of specialized experience in the clothing industry. After graduating from Sydenham College, Mumbai with a Bachelor of Commerce (B. Com) degree he joined Zodiac in 1993. Working his way through fabric sourcing, manufacturing and sales, he went onto leading its international sales. In 2006 he went on to further his education with a degree in General Management (PED) and an MBA from the prestigious International Institute for Management Development (IMD) in Lausanne, Switzerland. With his experience in clothing and textiles, global markets, and business development, Mr. Awais has been driving the expansion of the company in the key markets of North America & the European Union in the highly competitive international clothing sector. Consequently, his efforts over the years have seen Zodiac strengthening its presence across these global markets. Currently, Mr. Awais is focused on, and oversees the company's international clothing business operations from design, to manufacturing and sales, and leads a team of seasoned professionals across India, Bangladesh, Europe and North America.

**Mr. Adnan Noorani**

Director

Mr. Adnan Noorani is a Bachelor of Science from Carnegie Mellon University USA, with a double Major in Business Administration and Statistics, after which he worked for five years in E-commerce technology and Ad Tech in the USA. Beginning his career at a technology driven D2C E-commerce start-up in California, he built and managed a multi-country team of engineers, data scientists, and project managers, delivering machine learning and other software that helped the startup scale its business rapidly. His last assignment was at Walmart Connect in Silicon Valley where as one of the youngest Senior Managers - Product Management he led ML-based contextual targeting and campaign optimization for retail from ideation, development, and final go-to-market. While at Silicon Valley, Adnan was a board member of the CMU Tech & Entrepreneurship alumni and co-lead of its Founders Community. Joining Zodiac in April 2024, and using his skill and experience in ML and technology, he is focused on scaling its branded business in India, through its own D2C E-commerce platform and its retail stores.

## CHAIRMAN'S STATEMENT



The global economy surprised with its resilience in 2024, expanding by 3.3% only a shade below the previous year's 3.5%. As the IMF observed, this stability endured despite lingering inflation, deepening geopolitical rifts, and a trade environment under growing strain.

Beneath the surface, however, fragilities were evident. China's recovery once a cornerstone of global growth remained subdued, weighed down by weak domestic demand and persistent stress in the real estate sector. Across other major economies, investment stagnated, productivity gains proved elusive, and rising public debt added to vulnerabilities. At the same time, the emergence of rival spheres of influence in an already tense geopolitical landscape compounded uncertainty.

Even so, there were glimmers of progress. Global inflation eased from 6.6% in 2023 to 5.7% in 2024,

reflecting both the impact of tighter monetary policy and a gradual easing of supply-side pressures. Central banks in developed markets began a cautious pivot away from highly restrictive stances, rendering financial conditions incrementally more accommodative. In this environment, monetary policy and especially the calibration of interest rates took centre stage in economic debate across key jurisdictions.

Merchandise trade, long the engine of global growth, faces an increasingly uncertain trajectory. Prospective tariff escalations and retaliatory measures risk drawing global commerce into contractionary territory. Yet the conclusion of select bilateral trade agreements is a reminder that diplomacy retains its relevance, even as public rhetoric grows increasingly strident.

Closer to home, India maintained its position as the

world's fastest-growing major economy, with GDP expanding by 6.4 - 6.5%. Growth was supported by steady construction and manufacturing activity, continued public capital expenditure, and a broadly resilient services sector, which grew by 7.2% and contributed more than half of gross value added. Agriculture benefited from a favourable monsoon and healthy grain output, while both domestic consumption and exports showed encouraging momentum.

India's export performance was particularly noteworthy, with combined merchandise and services exports reaching a record USD 825 billion—an annual increase of 6.0%, underscoring resilience amid global headwinds. Inflation, though a concern worldwide, eased domestically from 5.4% to 4.6%, supported by timely policy measures, softer input costs, and prudent monetary management. Reflecting this, the Reserve Bank of India moved from a tightening stance to neutral in October 2024, before adopting an accommodative posture by April 2025. The financial system remained sound, with stronger balance sheets, improved asset quality, and sustained double-digit credit growth, while softer yields on sovereign and corporate instruments bolstered investor confidence.

Looking ahead, GDP growth is projected at 6.5%, with risks broadly balanced. Consumption is expected to gain further traction, while public investment will continue to act as a key driver. Manufacturing momentum should strengthen, aided by the Production Linked Incentive scheme and the new National Manufacturing Mission. Infrastructure will also remain a priority, supported by initiatives under Gati Shakti, higher allocations for affordable housing, and a renewed push through the Asset Monetisation Plan. Over the longer term, favourable demographics, rising disposable incomes, rapid urbanisation, and the embrace of a digital-first ethos are expected to underpin enduring opportunities for growth, even as near-term volatility persists.

Within this environment, the Indian apparel industry registered a moderate recovery in FY 2024–25, aided by easing inflation and a gradual pickup in consumption. The recovery, however, was uneven, with the sector continuing to grapple with inconsistent footfalls, reliance on occasion-driven purchases, and subdued discretionary spending in urban markets. At the same time, consumer engagement models evolved, with brands investing in personalised, narrative-driven merchandising and curated assortments to foster deeper brand loyalty and sustain relevance.

The structural opportunity remains compelling. The Indian apparel market reached ₹9.3 lakh crore in FY 2025

and is projected to surpass ₹14 lakh crore by FY 2030, fuelled by rising disposable incomes, rapid urbanisation, greater brand awareness, and the continued expansion of organised retail and e-commerce particularly in semi-urban and smaller cities. Technology is accelerating this trajectory. From virtual try-ons and AI-powered product curation to personalised shopping experiences, digital innovation is reshaping the consumer journey, enhancing operational efficiency, and driving conversion. As adoption deepens and expectations evolve, brands that embrace innovation and build agile, technology-enabled supply chains will be best positioned to capture the next phase of industry growth.

We remain confident in India's potential and in Zodiac's ability to navigate an evolving global landscape. Our unwavering commitment to quality, innovation and sustainability - anchored in a deep understanding of the Indian consumer - positions the Company to seize the opportunities of tomorrow with conviction.

As I reflect on our journey, I am profoundly grateful to our esteemed shareholders for their enduring trust and belief in our purpose. To our valued customers, whose loyalty continually inspires us to raise our standards, I extend my heartfelt thanks to our Board of Directors, management team, and dedicated employees, I offer my deepest appreciation for their integrity, resilience, and commitment to the values that define Zodiac. It is through this collective strength that the Company stands ready to write its next chapter.

**A. Y. Noorani**

Chairman

2001AC  
Royal  
Lланд Collins  
See England Collection

2001AC  
2001AC



Wool Wool Wool Wool Wool Wool

Sheepskin Sheepskin Sheepskin Sheepskin

**ZODIAC**  
FINEST QUALITY CLOTHING

[www.zodiakquality.com](http://www.zodiakquality.com)

A close-up, black and white photograph of a white dress shirt. The shirt is buttoned up, showing a visible collar and a subtle texture. In the upper left corner, a small, rectangular label is attached to the fabric. The label contains the word 'ZODIAC' in a bold, sans-serif font, with 'Cardelli' written in a cursive script directly beneath it. Below 'Cardelli', the text 'Italian 100%' is printed in a smaller, sans-serif font. The lighting is soft, highlighting the texture of the shirt's fabric and the metallic sheen of the buttons.

ZODIAC  
*Cardelli*  
Italian 100%

*Cardelli*  
**ZODIAC**  
FINEST QUALITY CLOTHING

— [www.zodiaconline.com](http://www.zodiaconline.com) —

## ARGUABLY THE FINEST SHIRT YOU WILL EVER OWN

### Egyptian Giza 87 Cotton

Very fine, long-staple cotton, grown in the Nile delta.



### Fine Craftsmanship

Over 6 decades of experience transform this rare, difficult-to-sew fabric into the lightest, airiest shirt.



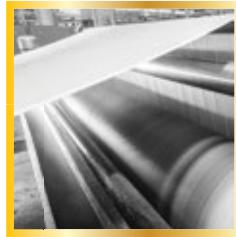
### Unmatched Wearer Experience

The softest, lightest, silkiest, airiest shirt that you have ever worn. And it only gets better with every wash.



### Split Back Yoke

Ensures a perfect drape on your shoulders.



### Rare Single 100's Count

Skilled Italian weavers & modern technology transform this once impossible-to-weave yarn into a luxurious fabric.



### Sharper, Straighter, Collars

The collar aesthetic and precision get further enhanced by the collar stay, put through a pouch, cleverly crafted under the collar. This supports and makes the collar sharper and straighter.



### Trinity Buttons

Genuine Mother-Of-Pearl used with our trademark 3-hole button.



### Embroidered Main Label

Adds luxury to the shirt.

### Exclusivity

Very limited availability of Super 100's, Egyptian Giza 87 across the world makes Carletti shirts quite rare.

## HIGHLIGHTS (STANDALONE AND CONSOLIDATED)

₹ In Lakhs

Particulars	2024-25		2023-24	
	Standalone	Consolidated	Standalone	Consolidated
Revenue from Operation	<b>17291.47</b>	<b>17440.25</b>	14412.19	14580.49
Other Income	<b>1199.78</b>	<b>1341.83</b>	755.11	888.24
Total Income	<b>18491.25</b>	<b>18782.08</b>	15167.3	15468.73
Less: Total expenses	<b>19135.6</b>	<b>19559.16</b>	16129.56	16519.6
Profit/(Loss) before finance cost, Depreciation and other exceptional item	<b>(644.35)</b>	<b>(777.08)</b>	(962.26)	(1,050.87)
Less: Finance cost	<b>793.81</b>	<b>793.81</b>	674.66	674.66
Profit/(Loss) before depreciation	<b>(1,438.16)</b>	<b>(1,570.89)</b>	(1,636.92)	(1,725.53)
Less: Depreciation	<b>2012.27</b>	<b>2040.02</b>	1874	1902.26
Profit / (Loss) before exceptional item	<b>(3,450.43)</b>	<b>(3,610.91)</b>	(3,510.92)	(3,627.79)
Add: Exceptional item	<b>0</b>	<b>0</b>	0	0
PROFIT / (LOSS) BEFORE TAX FOR THE YEAR	<b>(3,450.43)</b>	<b>(3,610.91)</b>	(3,510.92)	(3,627.79)
Tax Expense	<b>580.66</b>	<b>108.68</b>	-24.34	9.55
PROFIT / (LOSS) AFTER TAX FOR THE YEAR	<b>(4,031.09)</b>	<b>(3,719.59)</b>	(3,486.58)	(3,637.34)
Add: Balance brought forward from the last year	<b>4,632.59</b>	<b>6,045.98</b>	8,143.56	9,707.71
Add / Less: Other Comprehensive Income / (Loss) for the year	<b>47.36</b>	<b>47.36</b>	-24.39	-24.39
Less: Impact of Change in accounting policy (Ind AS 116)	<b>0</b>	-	-	-
Add: Transfer from OCI to Retained Earnings on derecognition of Equity Instruments	-	-	-	-
Total amount available for appropriation	<b>648.86</b>	<b>2,373.75</b>	4,632.59	6,045.98
Appropriations:				
Dividends				
Balance in Retained Earnings	<b>648.86</b>	<b>2,373.75</b>	4,632.59	6,045.98

## DIRECTORS' REPORT

To,  
The Members,  
Zodiac Clothing Company Limited

The Board of Directors are pleased to present the Company's 41<sup>st</sup> Annual Report and the Company's Audited Financial Statements (Standalone and Consolidated) for the Financial Year ended 31<sup>st</sup> March 2025.

### 1. Financial Results:

(₹ in Lakhs)

	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Revenue from operations	<b>17,291.47</b>	14,412.19	<b>17,440.25</b>	14,580.49
Other Income	<b>1,199.78</b>	755.11	<b>1,341.83</b>	888.24
Total Income	<b>18,491.25</b>	15,167.3	<b>18,782.08</b>	15,468.73
Profit/(Loss) Before Exceptional Items and Tax	<b>(3,450.43)</b>	(3,510.92)	<b>(3,610.91)</b>	(3,627.79)
Exceptional Item	-	-	-	-
Profit/(Loss) Before Tax	<b>(3,450.43)</b>	(3,510.92)	<b>(3,610.91)</b>	(3,627.79)
Provision for Taxation:				
Current tax	-	-	<b>1.29</b>	4.26
Deferred tax Charge/(Credit)	<b>580.66</b>	(24.73)	<b>105.73</b>	(1.77)
Tax in respect of earlier years	-	0.39	<b>1.66</b>	7.06
Profit/(loss) after taxation	<b>(4,031.09)</b>	(3,486.58)	<b>(3,719.59)</b>	(3,637.34)
Other Comprehensive Income	<b>(333.15)</b>	224.84	<b>(335.34)</b>	328.39
Total Comprehensive Income/(loss) for the year	<b>(4,364.24)</b>	(3,261.74)	<b>(4,054.93)</b>	(3,308.95)

### 2. PERFORMANCE REVIEW:

During the financial year ended 31<sup>st</sup> March, 2025, the operational revenue of the Company on a Standalone basis was ₹17,291.47 Lakhs vs. ₹14,412.19 Lakhs in the previous year. Profit/ (Loss) Before Tax and before exceptional items was ₹(3,450.43) Lakhs vs. ₹(3,510.92) Lakhs in the previous year, while the Net Profit/(Loss) after Tax for the Financial Year ended 31<sup>st</sup> March 2025 was ₹(4,031.09) Lakhs vs. ₹(3,486.58) Lakhs in the previous year. The Total Comprehensive Profit/ (Loss) for the year was ₹(4,364.24) Lakhs vs. ₹(3,261.74) Lakhs in the previous year.

On a Consolidated basis the Operational revenue of the Company for the year was ₹17,440.25 Lakhs vs. ₹14,580.49 Lakhs in the previous year. The Consolidated Profit/(Loss) before Tax and before exceptional items was ₹(3,610.91) Lakhs vs. ₹(3,627.79) Lakhs in the previous year, the Net

Profit/(Loss) after tax being ₹(3,719.59) Lakhs vs. ₹(3,637.34) Lakhs in the previous year. The Consolidated Total Comprehensive Income/ (Loss) for the year was ₹(4,054.93) Lakhs vs. ₹(3,308.95) Lakhs in the previous year.

### 3. SUBSIDIARY, ASSOCIATES AND JOINT VENTURE COMPANIES:

As on 31<sup>st</sup> March, 2025, the Company had one (1) subsidiary and Five (5) step-down subsidiaries. There are no Associate Companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). There has been no material change in the nature of the business of the subsidiaries.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries/ step-down subsidiaries in Form AOC-1 is attached as Annexure 3 to this report.

Pursuant to the provisions of Section 136 of the

Act, the Standalone and Consolidated financial statements of the Company along with relevant documents and the financial statements of the subsidiaries/step-down subsidiaries, are available on the website of the Company at the link <https://www.zodiaconline.com/others>.

#### **4. CONSOLIDATED FINANCIAL STATEMENTS:**

In accordance with the requirements of Accounting Standards AS-21, a Report on the performance and financial position of all the company's subsidiaries/step-down subsidiaries are included in the Consolidated Financial Statement and their contribution to the overall performance of the Company, is provided in Form AOC - 1 and forms part of this Annual Report.

#### **5. CREDIT RATING:**

The Company shall initiate the process of credit rating based on the audited consolidated accounts for the FY 2024-25 and the same is expected to be completed by September 2025.

#### **6. CAPEX:**

During the year the Company has incurred a Capital expenditure of ₹302.18 Lakhs, primarily in state of the art production equipment, new stores and information systems to sharpen our competitiveness

#### **7. LIQUIDITY:**

The Debt Equity ratio as on 31<sup>st</sup> March, 2025 was 0.52 on a Standalone basis and 0.46 on a Consolidated basis.

The Cash and Bank balances/Cash equivalents along with liquid investments (free reserves on consolidated basis) were ₹933.98 in March 2025, as against ₹2821.03 last year

#### **8. SHARE CAPITAL:**

During the year under review, there has been no change in the paid-up share capital of the company of 2,59,93,717 Equity Shares of ₹10/- each.

#### **9. DIVIDEND:**

The Board of Directors of your Company have not recommended any dividend for the Financial year 2024-25 (previous year - NIL).

#### **10. CORPORATE GOVERNANCE:**

The Company has complied with all the mandatory requirements regarding Corporate Governance as required under Regulations 17 to 27 and Schedule V of the SEBI LODR with the Stock Exchange(s). The report on Corporate Governance, Management Discussion and Analysis, as well as the Auditors Certificate on the compliance of Corporate Governance forms a part of the Annual Report. As required under Regulations 17(8) of Listing Regulations, the Managing Director and CFO have certified to the Board about compliance by the Company with the requirement of the said sub

regulation for the financial year ended 31<sup>st</sup> March, 2025.

#### **11. CONTRACTS AND ARRANGEMENT WITH RELATED PARTIES:**

In line with the requirements of the Companies Act, 2013 and the amended SEBI LODR, the Company has a policy on Related Party Transactions which is also available on Company's website at the link <https://www.zodiaconline.com/codes-and-policies>.

The policy ensures that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

The policy interalia deals with the review and approval of Material Related Party Transactions (MRPTs) keeping in view the potential or actual conflict of interest that may arise because of entering into these transactions. All Related Party Transactions are placed before the Audit Committee for review and prior approval (including omnibus approvals) and wherever applicable board/members approvals are obtained. Note no. 43 of the Standalone financial statements contained disclosures on related party transactions.

Disclosure on MRPT is given in Form AOC 2 (Annexure 4) as per Section 134(3)(h) read with Section 188(2) of the Companies Act, 2013.

#### **12. QUALITY:**

The focus on productivity gains and consistent quality continues to be the cornerstone of the Company's philosophy. Quality, continuous innovation and pursuit of high value addition and cost control continue to drive the Company.

#### **13. BRAND BUILDING:**

The Company continues to invest in building the strength of its 3 brands (Zodiac, Z3 and ZOD!), aspiring to get traction in sales in the present, as well as in the future.

Upgradation of quality to win customer loyalty is a continuously ongoing exercise, the objective being to get the customers delight at the price value relationship, with truly international quality and design at prices which are not exorbitant, even without any discounts

#### **14. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

##### **(A) Conservation of Energy**

*i) The steps taken or impact on conservation of energy:*

The Company having already achieved excellent bench marks in conservation of energy, has invested

in steam optimization projects for its process requirements, which has resulted in a drop in the consumption and the efficiency going up.

Conservation of energy continues to receive increased emphasis at all units of the Company. Energy audits and Inter-unit studies are carried out on a regular basis for analyzing and taking steps for reduction of energy consumption. We believe that conservation is a continuous effort and every day there is an opportunity to be better than the previous day this is what helps us to live up to the stringent standard we set for ourselves.

All machinery and equipment are being continuously serviced, updated and overhauled to maintain them in good and energy efficient condition. This results in consumption of lesser energy.

The company has achieved significant advancements in energy conservation by transitioning from the utilization of furnace oil and diesel to employing gas-fired steam & power generation. This makes the entire process of steam generation more efficient, resulting in reduced fuel wastage and a diminished need for transportation. In contrast to previous practices involving the transportation of furnace oil via tankers from distant states, the adoption of gas delivery through on-site pipelines from the central grid has proven to be remarkably cost-effective and environmentally beneficial, effectively lowering the carbon footprint. Moreover, this shift has eradicated fuel losses attributed to transportation and spillage, ultimately amplifying the yield per unit of expenditure.

Our Higg score speaks for itself 100/100 on the following evaluation parameters water/waste water / 90 + on energy.

#### **(B) Pollution Control**

The Company's zero liquid discharge plant for water treatment has resulted in the Company's dependency on outside water to almost nil.

With the increase in the catchment area for rain water harvesting, the surplus water generated is used to recharge the existing ground water sources and for maintaining the beautiful garden and flowering plants around the factory premises thereby creating a very pleasant atmosphere. The Company's continuous efforts have been recognized by the Pollution Control Board and the Company is being referred as a model factory by the Pollution Control Board.

It is the Company's continuous thrust in this area that has resulted in results which far exceed the industry norm. As a result of aggressively mapping the input parameters /processes and live balancing of the effluent treatment, the Company has been able to achieve a high level of efficiency.

With its energy-efficient design, the ZODIAC corporate office continues to use around 60 percent less energy than a typical office of the same size.

#### **(C) Technology, Absorption, Adaptations and Innovation:**

##### *(i) The efforts made towards technology absorption:*

Continuing with its thrust on being energy efficient -the company has changed over the boilers from diesel /furnace oil to gas fired -resulting in savings of fuel. We are also optimizing the dye process house by bringing in more fully computerised automatic equipment to do the processing which will result in a further savings in chemicals and water -the next step is investment in technology to monitor steam consumption and efficiency thereby making that next jump in our conservation efforts.

##### *(ii) The benefits derived like product improvement, cost reduction, product development or import substitution*

The Company continues to use the latest technologies for improving the productivity and quality of its services and products. The Company's operations do not require significant import of technology. In addition to product development and raw material development continues to be strengthened, Development activities on fashion designing are carried out on an on-going basis. Adopting technologies with state-of-art systems and machineries like PLM software, automated cutting machine, automated fabric inspection machines, etc., the quality of the products and efficiency of the systems have substantially improved. Applying these technologies has helped keep costs of production under control.

##### *(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- Not Applicable*

The Company continues to use the latest technologies for improving the productivity and quality of its services and products. The Company's operations do not require significant import of technology.

#### **(D) Foreign Exchange Earnings and Outgo:**

(₹ in Lakhs)

Foreign exchange used and earned		2024-25	2023-24
a.	Foreign Exchange Earnings	10249	7992
b.	Foreign Exchange Outgo	4002	2857

#### **15. CORPORATE SOCIAL RESPONSIBILITY:**

Corporate Social Responsibility (CSR) is traditionally driven by a moral obligation and philanthropic spirit. The Company has a heritage of being engaged in such activities. The

Company is committed to sustainability and all business decisions take into account its social and environmental impact.

As per the provisions of Section 135 of the Companies Act 2013, the Company has a CSR Committee, details of which are given in the Corporate Governance Report forming part of this report. The details of the Company's CSR policy has been posted on the website of the Company at the link <https://www.zodiaconline.com/codes-and-policies>.

The Report on CSR activities as required under Companies (Corporate Social Responsibility) Rules, 2014 including a brief outline of the Company's CSR Policy, total amount to be spent under CSR for the Financial Year, amount unspent and the reasons thereof are set out at **Annexure 1** forming part of the report.

#### **16. DIRECTORS & KEY MANAGERIAL PERSONNEL:**

During the year under review, there were following changes in Directors/ Key Managerial Personnel of the Company:

- Mr. Dilip J. Thakkar and Amb. Ahmad Javed were appointed as Independent Directors w.e.f. 24<sup>th</sup> July 2024
- Mr. Y. P. Trivedi and Mr. Bernhard Steinruecke ceased to be Independent Directors of the Company w.e.f. 11<sup>th</sup> August 2024, upon completion of their second term.
- Mr. S. R. Iyer has been appointed as Non-Executive, Non-Independent Director of the Company w.e.f 12<sup>th</sup> August, 2024 upon completion of his second term as an Independent Director.
- Mr. Vaman M. Apte has been re-appointed as an Independent Director for a second term of 5 (five) years w.e.f 12<sup>th</sup> August, 2024.

In accordance with the provisions of Section 152 of the Companies Act 2013 and the Articles of Association of the Company, Mr. Mohamed Awais Jehangir Noorani, Whole-Time Director –Exports and Mr. Adnan Salman Noorani, Whole-Time Director- Digital, retire by rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment.

#### **List of Key Managerial Personnel**

<b>Sr. No</b>	<b>Name of the person</b>	<b>Designation</b>
1.	Mr. S. Y. Noorani	Vice Chairman & Managing Director
2.	Mr. Mohamed Awais Jehangir Noorani	Whole-Time Director-Exports

3.	Mr. Adnan Salman Noorani	Whole-Time Director-Digital
4.	Mr. B. Mahabala	V.P.- Commercial & Chief Financial Officer
5.	Mr. Kumar Iyer	G.M.- Legal & Company Secretary

#### **EVALUATION OF PERFORMANCE OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS:**

During the year, annual performance evaluation of the Board and Committees of the Board, individual Directors including the Chairman of the Company, was carried out as per the criteria and process approved by Nomination and Remuneration Committee, which is in line with the SEBI Guidance Note on Board Evaluation.

The Chairman and other members of the Board discussed upon the performance evaluation outcome and concluded that they were satisfied with the overall performance of the Board and Committees of the Board and Directors individually. The Board also assessed the fulfillment of the independence criteria as specified in Listing Regulations, by the Independent Directors of the Company and their independence from the management.

The performance evaluation of the Non-Independent Directors including the Chairman of the Company and performance of the Board as a whole was discussed at the separate meeting of the Independent Directors.

#### **DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

In the opinion of the Board, the Independent Directors fulfil the conditions specified under the Act and Listing Regulations and are independent of the management. The Board skill/ expertise/ competencies matrix of all the Directors, including the Independent Directors is provided in the Corporate Governance Report forming part of this Annual Report.

#### **FAMILIARISATION PROGRAMME FOR THE INDEPENDENT DIRECTORS:**

The details of programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are posted on the website of the Company at the link

## 17. NUMBER OF MEETINGS OF THE BOARD:

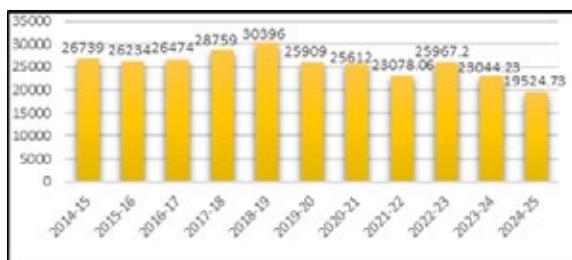
The Board of Directors of the Company met 4 (Four) times during the year under review. The dates of the Board meeting and the attendance of the Directors at the said meetings are provided in detail in the Corporate Governance Report, which forms a part of this Report.

## 18. DIRECTORS' RESPONSIBILITY STATEMENT:

Your Directors state that:

- (i) In the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2025, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- (ii) The Directors have 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 as at 31<sup>st</sup> March, 2025 and of the profit and loss of the Company for the year ended on that date;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) The Directors have 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 are operating effectively and
- (vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

### NET WORTH – CONSOLIDATED



## 19. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report.

## 20. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

The Company's policy on Board Diversity provides for an appropriate mix of diversity, skills, experience and expertise required on the Board and assesses the extent to which the required skills are represented on the Board including the criteria for determining qualifications, positive attributes and independence of a Director.

The Company has a Remuneration Policy to evaluate the performance of the members of the Board, to ensure remuneration to Directors, KMP and Senior Management involving a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals and to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. The policy ensures that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and Senior Management to run the Company successfully and the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

The Independent Directors have complied with the requirements of the Companies Act, 2013 and Regulation 16 (b) of SEBI LODR on their independence. The Company has obtained certification of independence from the Independent Directors in accordance with Section 149(6) of the Companies Act, 2013.

The remuneration details of the Executive and Non-Executive Directors is disclosed in the Corporate Governance report which forms part of the Directors Report. The above policy has been posted on the website of the Company at the link <https://www.zodiaconline.com/codes-and-policies>.

## 21. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

The particulars of loans and investments have been disclosed in the financial statements. The Company has not given any guarantees.

## 22. HUMAN RESOURCE MANAGEMENT:

The Company recognizes the need for continuous growth and development of its employees to meet the challenges posed by the industry, besides fulfilling their own career path objectives. Consequently, the

role of Human Resources continues to remain vital and strategic to the Company. Employee recruitment, training and development are a key focus area, with policies, processes and extensive use of technology to attract, retain and build on skills of high caliber employees. Industrial relations have continued to be harmonious throughout the year.

#### **23. COMPLIANCE WITH THE CODE OF CONDUCT:**

The Code of Conduct adopted by the Company for its Board of Directors and Senior Management Personnel has been uploaded on the Company's website at the link <https://www.zodiaconline.com/codes-and-policies>.

The Declaration of the Compliance with the Code of Conduct has been received from all Board members and Senior Managerial Personnel. A certificate to this effect from Mr. S. Y. Noorani, Vice Chairman & Managing Director forms part of this report.

#### **24. PUBLIC DEPOSITS:**

During the Financial Year 2024-25, the Company did not invite or accept any deposits from the public under the provisions of Section 73 of the Companies Act, 2013.

#### **25. COMPANY'S WEBSITE:**

The Financial Statements, Annual Report, including Corporate Governance Report, Shareholding Pattern, etc., are displayed inter-se with the other information on the Company's website, viz. [www.zodiaconline.com](http://www.zodiaconline.com).

#### **26. DONATIONS:**

During the financial year, the Company has contributed ₹91,52,000/- (Rupees Ninety-One Lakhs and Fifty-Two Thousand only) to various deserving causes.

#### **27. INSURANCE:**

All the properties/assets, including buildings, furniture/fixtures, etc. and insurable interests of the Company are adequately insured. The international debtors who avail of credit are also insured, despite their flawless record, as a measure of abundant caution.

#### **28. AUDITORS:**

Pursuant to the provisions of Section 139 of the Companies Act and the Rules framed thereunder, M/s MSKA & Associates, Chartered Accountants (ICAI Firm Registration No. 105047W) have been appointed as statutory Auditors of the Company for a term of five (5) years to hold office from the conclusion of the 38<sup>th</sup> AGM till the conclusion of the 43<sup>rd</sup> AGM.

The Auditor's Report to the members for the

financial year ended 31<sup>st</sup> March, 2025 year does not contain any qualification, reservation, adverse remark or disclaimer.

#### **29. MAINTENANCE OF COST RECORDS BY THE COMPANY AS SPECIFIED BY THE CENTRAL GOVERNMENT:**

Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products and accordingly, such accounts and records are made and maintained by the Company.

However, in terms of the Companies (Cost Records and Audit) Amendment Rules, 2014, the Company is not covered under the purview of Cost Audit from the F. Y. 2014-15 onwards.

#### **30. SECRETARIAL AUDIT:**

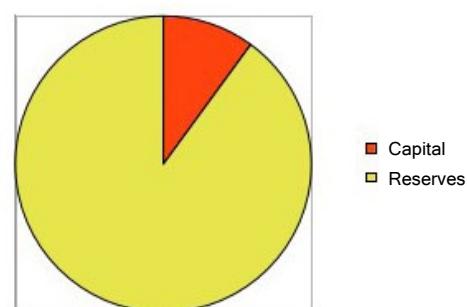
As per Section 204 of the Companies Act, 2013 and Rules made thereunder, the Company has appointed M/s. Robert Pavrey & Associates LLP, Company Secretaries, a peer reviewed firm bearing Firm Registration No. L2024MH016100 to undertake the Secretarial Audit of the Company. The Secretarial Audit report is included as Annexure 2 and forms an integral part of this report.

The Secretarial Audit Report to the members for the year under review does not contain any qualification, reservation, adverse remark or disclaimer.

#### **31. AUDIT COMMITTEE:**

The details pertaining to the composition of Audit Committee are included in the Corporate Governance Report, which forms a part of this report.

#### **32. DETAILS OF SHAREHOLDERS' FUNDS EMPLOYED FOR THE YEAR 2024-25 CONSOLIDATED:**



#### **33. RISK MANAGEMENT:**

In line with the regulatory requirements, the Company has a Risk Management Policy to identify and assess the key risk areas, monitor and report the compliance and effectiveness of the same. The

Risk Management Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis

#### **34. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

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

The Audit Committee actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust management information system, which is an integral part of the control mechanism.

The Audit Committee members, Statutory Auditors and the Business Heads are periodically apprised of the Internal Audit findings and corrective action taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

#### **35. POLICY ON PREVENTION OF SEXUAL HARASSMENT :**

The Company has in place an Prevention of Sexual Harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 & the Rules made thereunder. Internal Complaints Committee (ICC) has been set up to redress Complaints received regarding sexual harassment. All employees, permanent, contractual, temporary and trainees are covered under the policy.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Number of complaints filed during the financial year 2024-25	Number of complaints disposed off during the Financial Year	Number of complaints pending as on end of the Financial Year
Nil	Nil	Nil

#### **36. ANNUAL RETURN:**

Pursuant to Section 92(3) read with section 134(3) (a) of the Companies Act, 2013, copies of the Annual Returns of the Company prepared in accordance with Section 92(1) of the Act read with Rule 11 of the Companies (Management and Administration) Rules, 2014 are placed on the website of the Company and is accessible at the web-link: <https://www.zodiaconline.com/annual-reports>.

#### **37. SECRETARIAL STANDARDS:**

The Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Board and General Meeting.

#### **38. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:**

The details pertaining to the establishment of Vigil Mechanism/ Whistle Blower Policy is included in the Corporate Governance Report, which forms part of this report.

#### **39. INVESTOR EDUCATION AND PROTECTION FUND:**

As per the provisions of Sections 124 and 125 of the Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules') all unpaid or unclaimed dividends and the respective shares thereof for the Financial Year upto 2016-17 have been transferred to the IEPF established by the Central Government within the stipulated time.

#### **40. FRAUD REPORTING:**

There was no fraud reported by the Auditors of the Company under Section 143 (12) of the Companies Act, 2013, to the Audit Committee or the Board of Directors during the year under review.

#### **41. PARTICULARS OF EMPLOYEES:**

The information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial year 2024-25:

Non-executive directors*	Ratio to median remuneration
Mr. A. Y. Noorani*	-
Mr. V. M. Apte	-
Mr. Y. P. Trivedi (upto 11.08.2024)	-
Mr. S. R. Iyer	-
Dr. Naushad Forbes	-
Mr. Bernhard Steinruecke (upto 11.08.2024)	-
Ms. Elizabeth Jane Hulse	-

Amb. Ahmad Javed	-
Mr. Dilip J Thakkar	-

**Note:**

\*The Chairman is not paid any remuneration nor sitting fees for attending Board and Committee Meetings.

*The Non-Executive Directors of the Company are paid only Sitting Fees for attending the Board and Committee Meetings of the Company, details of which are given in the Corporate Governance Report and are not entitled to any other remuneration.*

Executive Director	Ratio to median remuneration
Mr. S. Y. Noorani	-
Mr. Awais Noorani	1:25
Mr. Adnan Noorani	1:12

**Note:** The ratio to median remuneration is nil for Mr. S. Y. Noorani, as he has voluntarily agreed to not receive any remuneration.

- b. The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the Financial Year 2024-25:

Directors, Chief Financial Officer and Company Secretary*	% Increase in remuneration in the financial year
Mr. Vaman M. Apte	-
Mr. Y. P. Trivedi	-
Mr. S. R. Iyer	-
Dr. Naushad Forbes	-
Mr. Bernhard Steinruecke	-
Ms. Elizabeth Jane Hulse	-
Mr. Dilip J. Thakkar	-
Amb. Ahmad Javed	-
Mr. A.Y. Noorani	-
Mr. S.Y. Noorani	-
Mr. B. Mahabala (CFO)	-
Mr. Kumar Iyer (CS)	-

**Note:**

\*The Chairman & Vice Chairman were not paid any remuneration nor sitting fees during FY 2024-25 for attending Board and Committee Meetings. The Non-Executive Directors of the Company were paid only Sitting Fees for attending the Board and Committee Meetings of the Company, details of which are given in the Corporate Governance Report and are not entitled to any other remuneration.

- c. The percentage increase in the median remuneration of employees in the financial year: 5.08% (as the median employee is a piece rated worker)

- d. The number of permanent employees on the rolls of Company: 1008 (as on 31<sup>st</sup> March, 2025)
- e. The average percentile increase 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: There has been no increase in the salaries of the managerial personnel during the FY 2024-25.
- f. The key parameters for any variable component of remuneration availed by the Directors: During the Financial Year 2024-25 no performance linked bonus or any other variable component of remuneration has been paid to the Executive Director(s) of the Company.
- g. Affirmation that the remuneration is as per the remuneration policy of the Company: The Company affirms that the remuneration is as per the remuneration policy of the Company
- h. Information of top 10 employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, for the year ended 31<sup>st</sup> March, 2025 is given below:

Sr. No	Name	Date of Birth	Designation	Remuneration (₹)	Nature of Employment	Qualification and Experience	Date of joining	Last Employment	Percentage of Equity Shares held	Relative of any Director/ Manager of the Company
1	Mr. Salman Yusuf Noorani	15-03-1963	Vice Chairman and Managing Director	Nil	Contractual	B. Com/ 43 years	01-03-1994	-	22.35	Brother of Mr. A.Y. Noorani, Chairman & Non-Executive Director, Father of Mr. Adnan Salman Noorani, Executive Director – Digital and Uncle of Mr. Awais Noorani, Executive Director-Exports.
2	Ms. Behroze Daruwala	04-09-1950	VP – Fabrics & Merchandising	54,01,120	Permanent	B.A./ 53 years	30-05-1972	-	0.11	-
3	Mr. B Mahabala	07-11-1951	V.P. Commercial & C.F.O	53,75,740	Permanent	M.com, MBA & Diploma in Cost & Management Accountancy/51 years	15-06-1984	Vulcan Engineers Limited	0.06	-
4	Mr. Imraan Surve	11-10-1968	VP-Marketing Zod, LFS & Z3	53,50,392	Permanent	B.A. (Hons.) Economics/ 33 years	18-12-2001	Contract Advertising Pvt. Ltd.	0.02	-
5	Mr. Awais Noorani	08-10-1975	Executive Director - Exports	53,25,034	Permanent	B.Com, MBA from IMD Switzerland/ 21 years	01-12-2002	-	0.00	Son of Mr. A.Y. Noorani, Chairman and nephew of Mr. S. Y. Noorani, Vice Chairman and Managing Director and cousin brother of Mr. Adnan Salman Noorani, Executive Director - Digital
6	Mr. Rajendra Shenoy B	15-06-1965	GM Manufacturing	42,00,096	Permanent	B.Com, M. Com & L.L.B./32 years	16-10-2002	Arvind Mills Limited	0.00	-
7	Mr. Vikram Puri	29-06-1976	Senior Product Manager	42,00,000	Permanent	B.Sc Physics/ 29 years	07-05-2002	Cotton Club Inc.	0.00	-
8	Mr. Anand Pisharody	19-10-1957	VP - Manufacturing	38,99,710	Permanent	B.A./ 46 years	02-05-1986	Indian Molasses Company Limited	0.00	-
9	Mr. Nafees Azam	07-04-1960	GM-Sales (Retail)	34,00,000	Permanent	B.Com/ 40 years	21-05-2004	Geep Industrial Syndicate Limited	-	-
10	Mr. Rajesh Pan	30-08-1974	GM- Retail	39,99,805	Permanent	B.com/ 27 Years	04-09-2000	Weekends Division of Personality Limited	-	-
11	Mr. Shoheb Abdulgani Shaikh	06-06-1983	Manager - Projects	33,20,016	Permanent	HSC -diploma 3 yrs in Interior Space Design & Management/ 18 years	01-06-2007	Kaif Faquih & Associate – as Designer Site Supervisor	0.00	-

#### **42. OTHER DISCLOSURES:**

In terms of the applicable provisions of the Act and the SEBI Listing Regulations, your Company additionally discloses that, during the year under review:

- there was no change in the nature of business of the Company;
- it has not issued any shares with differential voting rights;
- it has not issued any sweat equity shares;
- no significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status operations of your Company in future;
- it has not transferred any amount to the Reserves;
- it has not raised any funds through qualified institutions placement as per Regulation 32(7A) of the SEBI Listing Regulations;

- it does not engage in commodity hedging activities;
- it has not made application or no proceeding is pending under the Insolvency and Bankruptcy Code, 2016 and
- it has not made any one-time settlement for the loans taken from the Banks or Financial Institutions.

#### **43. ACKNOWLEDGEMENT:**

The Directors are grateful for the co-operation, support and assistance received from the customers, shareholders, the Government, other statutory bodies, Banks, Solicitors, Distributors, Suppliers and other business associates during this year under review.

The Directors also express their sincere appreciation to the employees at all levels for having risen to meet the several challenges encountered and look forward to their valuable support and commitment in the times ahead.

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

Place: Mumbai  
Date : 28<sup>th</sup> May, 2025

**S. Y. NOORANI**  
Vice Chairman &  
Managing Director  
DIN: 00068423

**AWAIS J. NOORANI**  
Executive Director- Exports  
DIN: 00951424

## ANNUAL REPORT ON CSR ACTIVITIES

## 1. A brief outline of the company's CSR policy:

The Company is committed to doing business with integrity and respect for the world around us. The Company's CSR policy is aimed at forming a dynamic relationship between the Company on the one hand and the society and the environment on the other. The Company has traditionally been driven by a moral obligation and philanthropic spirit and has a heritage of being engaged in such activities since inception. The Company is committed towards sustainability and all business decisions take into account its social and environmental impact.

For years now, the Company has been dedicated to provide quality products and to reduce energy use and increase efficiency. The projects undertaken/ programmes supported by the Company are within the broad framework of Schedule VI of the Companies Act, 2013. During the financial year 2024-25, despite of the Average Net profit for the purpose of computation of CSR being **NIL**, the Company has donated ₹91,52,000/- (Rupees Ninety-One Lakhs and Fifty-Two Thousand only) to Tata Memorial Hospital and Head and Neck Cancer Institute of India (HNCII).

## 2. The composition of the CSR committee:

Sl. No	Name of Director	Designation in the Committee	Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Vaman M. Apte	Chairman	Independent Director	1	1
2.	Mr. A. Y. Noorani	Member	Non Executive - Non Independent Director	1	1
3.	Mr. S. Y. Noorani	Member	Executive Director- Managing Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company: <https://www.zodiaconline.com/codes-and-policies>.
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable
6. Average net profit of the Company for last three Financial Years for the purpose of computation of CSR (As per Section 135(5)): **NIL**
7. (a) Two percent of average net profit of the company as per section 135(5): **NIL**  
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**  
 (c) Amount required to be set off for the financial year, if any: **NIL**  
 (d) Total CSR obligation for the financial year (7a+7b-7c): **NIL**
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of transfer
	NIL	Not Applicable	-	NIL	Not Applicable

**(b) Details of CSR amount spent against ongoing projects for the financial year: NIL**

**(c) Details of CSR amount spent against other than ongoing projects for the financial year:**

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration No.
1.	Tata Memorial Hospital	Item No. (i): Promoting health care including preventive health care	Yes	Maharashtra	Mumbai	22,00,000/-	Yes	NA	NA
2.	Head and Neck Cancer Institute of India (HNCII)	Item No. (i): Promoting health care including preventive health care	Yes	Maharashtra	Mumbai	69,52,000/-	Yes	NA	NA

**(d) Amount spent in Administrative Overheads: NIL**

**(e) Amount spent on Impact Assessment, if applicable:** Not Applicable

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹91,52,000/-**

**(g) Excess amount for set off, if any: NIL**

Sr. No.	Particulars	Amount in ₹.
1	Two percent of average net profit of the company as per section 135(5)	NIL
2	Total amount spent for the Financial Year	₹91,52,000/-
3	Excess amount spent for the financial year [(ii)-(i)]	NA
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

**9. (a) Details of Unspent CSR amount for the preceding three financial years:** Not Applicable

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** None

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:** Not Applicable

**11. Specify the reason(s), if the company has failed to spend 2% of the average net profit as per Section 135(5):** Not Applicable

**Vaman M. Apte**  
Chairman, CSR Committee  
DIN: 00003651

**S. Y. Noorani**  
Vice Chairman & Managing Director  
DIN: 00068423

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025  
*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]*

To,  
The Members,  
Zodiac Clothing Company Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Zodiac Clothing Company Limited (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025 (“Audit 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.

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the Audit Period according to the provisions of:

- (i) The Companies Act, 2013 ('Act') and rules made thereunder; and
- (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;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) 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;
- (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) Other applicable laws:
  - (a) Factories Act, 1948;
  - (b) Industries (Development and Regulation) Act, 1951;
  - (c) Labour Laws and other identical laws related to the labour and employees appointed by the Company either on its payroll or on contractual basis;
  - (d) Competition Act, 2002
  - (e) Consumer Protection Act, 2019
  - (f) Environmental Protection Act, 1986
  - (g) The Hazardous Waste (Management & Handling and Transboundary Movement) Rules, 2008.
  - (h) Boilers Act, 1923
  - (i) Gas Cylinders Rules, 2004
  - (j) Standards of Weights & Measures (Enforcement) Act, 1985
  - (k) The Static & Mobile Pressure Vessels (Unfired) Rules, 2018
  - (l) Foreign Trade (Development & Regulation) Act, 1992
  - (m) The Legal Metrology Act, 2009
  - (n) Trademark Act, 1999
  - (o) Copyrights Act, 1957

We have relied on the representations made by the Company, its officers and reports of the statutory auditors for the systems and mechanism framed by the Company for compliances under other Acts, laws and regulations applicable to the Company.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

**We further report that**, there were no events/ actions in pursuance of:

- (a) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- (b) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
- (d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

requiring compliance thereof by the Company during the Audit Period.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of executive directors, non-executive directors and independent directors. During the review period, the listed entity has received a notice for non-compliance with the provisions of Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for failure to obtain the prior approval of shareholders through special resolution with regard to appointment of Mr. Dilip Thakkar a Non-Executive, Independent Director, who has attained the age of 87 years.

The said notice was issued by NSE & BSE involving monetary penalty of INR 3,06,800/-inclusive of GST. The listed entity has paid the above penalty to NSE and BSE and endeavors to comply with the Listing Regulations subsequently.

Adequate notice is given to all the directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the respective meetings of the Board or Committee thereof

and no Director / Member dissented on the decisions taken at such Board / Committee Meetings. Further, in the minutes of the general meetings the number of votes cast against the resolutions has been recorded.

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

We further report that, during the Audit Period, there were no specific events which had a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations and guidelines.

We further report that during the Audit Period, the Company obtained consent of Shareholders by way of Special Resolution passed through Postal Ballot as per the Scrutinizer's Report dated June 18, 2024 for item no. (i) and (ii) and Special Resolution passed in the Annual General meeting held on September 27, 2024, with respect to item no. (iii), (iv) (v) and (vi):

- i. Appointment of Mohamed Awais Jehangir Noorani (DIN: 00951424) as whole-time director of the Company.
- ii. Appointment of Adnan Salman Noorani (DIN: 08689050) as whole-time director of the Company.
- iii. Appointment of Amb. Ahmad Javed (DIN: 08668304) as an independent director of the Company.
- iv. Appointment of Mr. Dilip Jayantilal Thakkar (DIN: 00007339) as an independent director of the Company.
- v. Re-appointment of Mr. Vaman Madhav Apte (DIN: 00003651) as an independent director of the Company.
- vi. Appointment of Mr. Subramaniam Ramachandran Iyer (DIN: 00580437) as non-independent, non-executive director of the Company.

For **ROBERT PAVREY& ASSOCIATES**

*Company Secretaries*

FRN - L2024MH016100

Date : 24<sup>th</sup> May, 2025

Place : Mumbai

**Prerana Jadhav**

**Partner**

ACS No.: 34667 C.P. No.: 14036

UDIN: A034667G000431019

This report is to be read with Annexure A which forms an integral part of this report.

To,

The Members

Zodiac Clothing Company Limited

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

1. Maintenance of secretarial records 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 process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure 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 **ROBERT PAVREY & ASSOCIATES**  
*Company Secretaries*  
 FRN - L2024MH016100

**Prerana Jadhav**  
 Partner  
 ACS No.: 34667 CP. No.: 14036  
 UDIN: A034667G000431019

Place : Mumbai  
 Date : May 24, 2025

**STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES**

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

**Form AOC - 1**

Sr. No.	Name of the Subsidiary Company	Reporting period	Reporting currency	Exchange Rate on last day of financial year	Share Capital	Reserves & surplus	Total Assets	Total Liabilities	Investments (excluding investment in subsidiaries)	Turnover	Profit/ (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed dividend	Proposed % of shareholding
1	Zodiac Clothing Co. S.A. - Switzerland	April to March	CHF	₹96,8888	2,50,000	71,077	3,39,563	3,39,563	-	-	627	-	627	-	100
2	Zodiac Clothing Co. (U.A.E.) LLC - U.A.E.	April to March	AED	₹23,2626	3,00,000	1,25,38,150	1,40,82,759	1,40,82,759	-	1,50,648	(28,385)	-	(28,385)	-	100
3	Zodiac Clothing Bangladesh Limited - Bangladesh	April, To March	Taka	₹ 0.6976	14,97,69,500	(3,97,05,136)	13,22,16,302	13,22,16,302	-	-	(1,97,01,285)	-	(1,97,01,285)	-	100
4	Zodiac Clothing Company INC - USA	April, To March	USD	85,4541	10,000	37,547	3,59,793	3,59,793	-	6,07,314	8,642	3487	5,155	-	NIL
5	Zela Technologies, INC.	April, To March	USD	85,4541	40	28,358	32,224	32,224	-	-	(22,562)	-	(22,562)	-	100
6	Zodiac Clothing Company Pvt Ltd. UK	April, To March	GBP	112,161	1	-	1	1	-	-	-	-	-	-	100

**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 transactions under third proviso thereto

<b>1. Details of contracts or arrangements or transactions not at arm's length basis:</b>	
a)	Name(s) of the related party and nature of relationship
b)	Nature of contracts / arrangements / transactions
c)	Duration of the contracts / arrangements / transactions
d)	Salient terms of the contracts or arrangements or transactions including the value, if any
e)	Justification for entering into such contracts or arrangements or transactions
f)	Date(s) of approval by the Board
g)	Amount paid as advances, if any
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188

<b>2. Details of material contracts or arrangements or transactions at arm's length basis:</b>	
a)	Name(s) of the related party and nature of relationship
b)	Nature of contracts / arrangements / transactions
c)	Duration of the contracts / arrangements / transactions
d)	Salient terms of the contracts or arrangements or transactions including the value, if any
e)	Date(s) of approval by the Board
f)	Amount paid as advances, if any

## **CORPORATE GOVERNANCE REPORT FOR THE YEAR 2024 - 2025**

Corporate Governance is a process that aims to meet stakeholders' aspirations and expectations. It is much more than complying with the legal and regulatory requirements. The cardinal principles such as independence, accountability, responsibility, transparency, fair and timely disclosures etc. serve as the means for implementing the philosophy of corporate governance. The Company's policies on Corporate Governance and compliance thereof in respect of specific areas for the year ended 31<sup>st</sup> March 2025, as per the format prescribed by SEBI and as incorporated in Regulations 17 to 27 along with 34(3) and clause (b) to (i) and (t) of Sub-regulation 46(2) and Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR") are set out below for the information of the members and investors of the Company.

### **I. I. Company's Philosophy on Corporate Governance**

At Zodiac, Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. Good Governance practices stem from the value system and philosophy of the organization. The Company's endeavor is to follow the spirit of good governance rather than mere compliance with the conditions specified by the regulatory authorities. The Board is collectively responsible for pursuing this purpose. The Company has a strong legacy of fair, transparent and ethical governance practices. The Company has formulated, interalia, various policy documents and introduced best practices of governance. For the Company, Corporate Governance is not a destination but a continuous journey that seeks to provide an enabling environment to harmonize the goals of maximizing stakeholders' value and maintaining a strong customer focus.

### **II. Board of Directors**

#### Composition of the Board

The Board of Directors provides strategic direction and thrust to the operations of the Company. The Board of the Company comprises of highly experienced persons of repute and eminence and has an optimal mix of professionalism, knowledge and experience that enables it to discharge its responsibilities and provide effective leadership to the business.

The Board comprises both Executive and Non-Executive Directors, with a majority being Independent Directors, including a Independent Women Director.

The Board composition is in conformity with the applicable provisions of the Companies Act, 2013 (the Act) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (Listing Regulations).

The number of Directorship(s), Committee Membership(s), Chairmanship(s) of all the Directors is within respective limits prescribed under the Act and Listing Regulations.

Changes in Board of Directors / Key Managerial Personnel of the Company during the financial year 2024-25:

- Appointment of Mr. Mohamed Awais Jahangir Noorani (DIN: 00951424)**

Based on the recommendation of the Nomination and Remuneration Committee, the Board approved the appointment of Mr. Mohamed Awais Jahangir Noorani as an Additional Director and Whole-time Director designated as Executive Director- Exports of the Company with effect from 1<sup>st</sup> April, 2024. His appointment was thereafter also approved by the Members of the Company on 18<sup>th</sup> June, 2024 through Postal Ballot process.

- Appointment of Mr. Adnan Salman Noorani (DIN: 08689050)**

Based on the recommendation of the Nomination and Remuneration Committee, the Board approved the appointment of Mr. Adnan Salman Noorani as an Additional Director and Whole-time Director designated as Executive Director- Digital of the Company with effect from 1<sup>st</sup> April, 2024. His appointment was thereafter also approved by the Members of the Company on 18<sup>th</sup> June, 2024 through Postal Ballot process.

- Appointment of Mr. Dilip Jayantilal Thakkar (DIN: 00007339)**

Based on the recommendation of the Nomination and Remuneration Committee, the Board approved the appointment of Mr. Dilip Jayantilal Thakkar as an Additional Director in the category of Non-Executive Independent Director of the Company with effect from 24<sup>th</sup> July, 2024. At the 40<sup>th</sup> AGM of the Company held on 27<sup>th</sup> September, 2024, his appointment was also approved by the Members of the Company.

- Appointment of Amb. Ahmad Javed (DIN: 08668304)**

Based on the recommendation of the Nomination and Remuneration Committee, the Board approved the appointment

of Mr. Javed Ahmad as an Additional Director in the category of Non-Executive Independent Director of the Company with effect from 24<sup>th</sup> July, 2024. At the 40<sup>th</sup> AGM of the Company held on 27<sup>th</sup> September, 2024, his appointment was also approved by the Members of the Company.

- **Cessation of Mr. Yogendra P. Trivedi (DIN: 00001879)**

Mr. Yogendra P. Trivedi ceased to be an Independent Director of the Company on completion of his second term with effect from close of business hours on 11<sup>th</sup> August, 2024.

- **Cessation of Mr. Bernhard Steinruecke (DIN: 01122939)**

Mr. Bernhard Steinruecke ceased to be an Independent Director of the Company on completion of his second term with effect from close of business hours on 11<sup>th</sup> August, 2024.

- **Re-appointment of Mr. Subramaniam R. Iyer (DIN: 00580437)**

Based on the recommendation of the Nomination and Remuneration Committee, the Board approved the Re-appointment of Mr. Subramaniam R. Iyer as an Additional Director in the category of Non-Executive Non-Independent Director of the Company with effect from 12<sup>th</sup> August, 2024. At the 40<sup>th</sup> AGM of the Company held on 27<sup>th</sup> September, 2024, his appointment was also approved by the Members of the Company.

The composition of the Board, Directorship/ Committee positions in other Companies as on 31<sup>st</sup> March, 2025, number of meetings held and attended during the year are as follows:-

Name of the Director	Designation	Category of Directorship	Board Meeting during the year		Attendance at last AGM	Directorship and Category of Directorship in other Listed Entities	Committee Memberships in other Public Companies	
			Held	Attended			Member	Chairperson
Mr. Mohamed Anees Noorani	Chairman	Promoter & Non-Executive Director	4	4	Yes	-	0	0
Mr. Salman Yusuf Noorani	Vice Chairman & Managing Director	Promoter & Executive Director	4	4	Yes	-	0	0
Mr. Mohamed Awais Jehangir Noorani	Executive Director - Exports	Promoter & Executive Director	4	4	Yes	-	0	0
Mr. Adnan Salman Noorani	Executive Director - Digital	Promoter & Executive Director	4	4	Yes	-	0	0
Mr. Subramaniam Ramachandran. Iyer	Non-Executive Director	Non-Independent Director	4	4	Yes	-	0	0
Ms. Elizabeth Jane Hulse	Non-Executive Director	Independent Director	4	1	No	-	0	0
Mr. Vaman Madhav Apté	Non-Executive Director	Independent Director	4	4	Yes	-	0	0
Mr. Dilip J. Thakkar (w.e.f. 24 <sup>th</sup> July 2024)	Non-Executive Director	Independent Director	4	3	Yes	Pudumjee Paper Products Limited – Independent Director  Black Box Limited –Independent Director  Premier Limited (Under CIRP) – Independent Director	3	0
Amb. Ahmad Javed (w.e.f 24 <sup>th</sup> July 2024)	Non-Executive Director	Independent Director	4	3	Yes	Wockhardt Limited - Independent Director  Kalyani Steels Ltd –Independent Director	2	0

Name of the Director	Designation	Category of Directorship	Board Meeting during the year		Attendance at last AGM	Directorship and Category of Directorship in other Listed Entities	Committee Memberships in other Public Companies	
			Held	Attended			Member	Chairperson
Dr. Naushad Darius Forbes	Non-Executive Director	Independent Director	4	1	Yes	Bajaj Holdings & Investment Limited-Independent Director  Bajaj Finance Limited-Independent Director  Bajaj Finserv Limited-Independent Director  Bajaj Auto Limited-Independent Director	6	1

Notes:

- (1) The Directorship, as mentioned above, do not include Directorship in Zodiac Clothing Company Limited, in Private Limited Companies, Unlisted Public Companies and Foreign Companies.
- (2) In accordance with Regulation 26 (1) of SEBI LODR, Memberships/Chairmanships of only Audit Committees and Stakeholders' Relationship Committees in all Public Limited Companies (excluding Zodiac Clothing Company Limited) have been considered

### **Board Meetings**

The Board Meetings are governed by a structured agenda. The agenda along with the detailed explanatory notes and supporting material are circulated well in advance before each meeting to all the Directors for facilitating effective discussion and decision-making. Considerable time is spent by the Directors on discussions and deliberations at the Board Meetings. The necessary quorum has been present at all the meetings.

During the Financial Year, a total of four (4) Board Meetings were held i.e. on 30<sup>th</sup> May, 2024, 08<sup>th</sup> August, 2024, 14<sup>th</sup> November, 2024 and on 11<sup>th</sup> February, 2025.

In compliance with the requirements of Schedule IV of the Companies Act, 2013 read with Regulation 25 of the SEBI LODR, a separate meeting of the Independent Directors of the Company was held on 24<sup>th</sup> March, 2025 without the attendance of Non-Independent Directors and members of the Management of the Company.

### **Number of shares and convertible instruments held by Non- Executive Directors**

The details of number of shares and convertible instruments held by Non- Executive Directors is provided below:

<b>Name of the Non-Executive Director</b>	<b>Number of Equity Shares Held as on 31<sup>st</sup> March, 2025</b>
Mr. Mohamed Anees Noorani	60,00,109
Mr. Vaman M. Apte	2,130
Mr. S. R. Iyer	3,375
Dr. Naushad Forbes	71,714
Ms. Elizabeth Jane Hulse	-
Amb. Ahmad Javed	-
Mr. Dilip J. Thakkar	-

**Chart or a Matrix setting out the Skills/Expertise/Competencies of the Board of Directors:**

The Board of Directors of the Company possess the requisite skills/expertise/competencies in the context of its businesses to function effectively. The core skills/expertise/competencies that are available with the Directors are as under:

<b>Name of the Director</b>	<b>Designation of the Director</b>	<b>Skills / Expertise</b>
Mr. Mohamed Anees Noorani	Chairman, Non-Executive Director	Industrialist with expertise in Developing Clothing business and its overall operations. Presently overseeing the corporate affairs and finance function of the Company.
Mr. Salman Yusuf Noorani	Vice Chairman & Managing Director	Industrialist with expertise in setting up and up-gradation of manufacturing facilities. Presently overseeing the Company's operations, product design, manufacturing, sales and marketing.
Mr. Vaman M. Apte	Non-Executive Independent Director	Industrialist with rich and varied experience in setting up and managing industries and also providing consultancy.
Ms. Elizabeth Jane Hulse	Non-Executive Independent Director	A veteran in Textile Designing and a trained weaver, Fabric Sourcing and Purchasing Brand and Product Management and Buying.
Mr. Subramaniam Ramachandran Iyer	Non-Executive Non-Independent Director	An eminent Banker with vast knowledge and rich experience in Finance and Banking.
Dr. Naushad Forbes	Non-Executive Independent Director	An eminent industrialist with a doctorate degree in engineering from Stanford University and expertise in steam engineering, energy efficiency, technology and international business.
Amb. Ahmad Javed	Non-Executive Independent Director	Amb. Ahmad Javed, is a distinguished former IPS officer of the 1980 batch, Maharashtra cadre and a seasoned diplomat.  Amb. Ahmad Javed expertise in Law enforcement, public service and is a seasoned Diplomat.
Mr. Dilip Jayantilal Thakkar	Non-Executive Independent Director	Mr. Dilip Jayantilal Thakkar is a practicing Chartered Accountant and specialises in FEMA domestic and international taxation and is an advisor to many Companies and non-residents.
Mr. Mohamed Awais Jehangir Noorani	Whole time director, Executive Director- Exports	A seasoned professional with over 30 years of specialised experience in the clothing and textiles, global market and business development. Driving the company's expansion in the highly competitive International clothing sector.
Mr. Adnan Salman Noorani	Whole time director, Executive Director- Digital	Expertise in machine learning and technology, currently focused on scaling the Company's Branded business in India through its own D2C E-Commerce platform and its retail stores.

### **Familiarization Programme for Board Members**

The Company has put in place a system on an ongoing basis to familiarize the Independent Directors of their roles, rights, responsibilities, nature of industry in which the Company operates and the business model of the Company. Further the Chairman/ Vice Chairman/Managing Director has one to one discussions with the newly appointed Directors to familiarize them with the Company's operations. The familiarization programme for Independent Directors has been posted on the Company's website at [www.zodiaconline.com](http://www.zodiaconline.com) and the web link for the same is <https://www.zodiaconline.com/codes-and-policies>.

### **Code of Conduct for Board of Directors and Senior Management Personnel:**

The Company has adopted a Code of Conduct for Board of Directors and Senior Management Personnel ("the Code") as laid down by Regulation 26(3) of SEBI LODR. The duties of Independent Directors as laid down in Schedule IV of the Companies Act, 2013 are suitably incorporated in the Code as required under the Regulation 17 of SEBI LODR. The Code has been communicated to the Directors and the Senior Management Personnel. The Code has also been posted on the Company's website at [www.zodiaconline.com](http://www.zodiaconline.com) and the web link for the same is <https://www.zodiaconline.com/codes-and-policies>. All Board members and senior management personnel have confirmed compliance with the Code for the year ended 31<sup>st</sup> March, 2025. The Annual Report contains a declaration to this effect signed by the Vice Chairman & Managing Director.

### **Detailed reasons for the resignation of an independent director who resigns before the expiry of his/ her tenure along with a confirmation by such director that there are no other material reasons other than those provided:**

None of the Independent Directors have resigned during the Financial Year 2024-25.

### **Disclosure of relationships between Directors inter-se**

Mr. Mohamed Anees Noorani, Chairman & Non-Executive Director is the father of Mr. Mohamed Awais Jehangir Noorani, elder brother of Mr. Salman Yusuf Noorani and uncle of Mr. Adnan Salman Noorani.

Mr. Salman Yusuf Noorani, Vice Chairman & Managing Director is the father of Mr. Adnan Salman Noorani, younger brother of Mr. Mohamed Anees Noorani and uncle of Mr. Mohamed Awais Jehangir Noorani

Mr. Mohamed Awais Jehangir Noorani, Whole-Time Director – Exports is the son of Mr. Mohamed Anees Noorani and nephew of Mr. Salman. Y. Noorani and cousin brother of Mr. Adnan Salman Noorani.

Mr. Adnan Salman Noorani, Whole-Time Director- Digital is the son of Mr. Salman. Y. Noorani and nephew of Mr. Mohamed Anees Noorani and cousin brother of Mr. Mohamed Awais Jehangir Noorani.

Other than the above, none of the Directors are related to any other Director of the Company

### **Independent Directors' confirmation by the Board:**

All the Independent Directors (ID's) have given declaration that they meet the criteria of Independence as laid down under section 149(6) of the Act and Regulation 16(1b) of SEBI LODR. In the opinion of the Board, all the IDs, fulfil the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1b) of the SEBI LODR.

### **Committees of Board:**

The Company has constituted various Committees of the Board of Directors to focus on critical functions of the Company and also for smooth and efficient business operations viz., Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility (CSR) Committee, Risk Management Committee, Forex Committee, and Investment Committee. The Committees meet as and when necessary for deciding various matters and providing directions and authorizations to the management for its implementation.

Details on role and composition of these Committees, including number of meeting held during the F.Y. 2024-25 and the related attendance are provided below:

### **III. Audit Committee**

- (a) The members of Audit Committee as on 31<sup>st</sup> March, 2025:

Name of Director	Name of Director	Chairman/Member
Mr. Dilip Thakkar*	Non- Executive, Independent Director	Chairman
Mr. Vaman Apte	Non- Executive, Independent Director	Member
Mr. S. R. Iyer*	Non-Executive, Non-Independent Director	Member

Note:

- Mr. Dillip Thakkar was nominated as Chairman of the Audit Committee w.e.f. 8<sup>th</sup> August 2024.
- Mr. Y. P. Trivedi ceased to be a member of the Audit Committee consequent to his cessation as a Director of the Company w.e.f. 11<sup>th</sup> August 2024
- Mr. S. R. Iyer ceased to be the Chairman of the Audit Committee but continues as an Audit Committee Member.

The constitution of the Audit Committee is in terms of Regulation 18 of the SEBI (LODR) Regulations, 2015, and all the members of the Audit Committee possess sound knowledge of accounts, audit, financial management expertise, etc.

Mr. Kumar Iyer, Company Secretary acts as the Secretary to the Audit Committee.

The terms of reference of the Audit Committee are in line with Regulation 18 of SEBI LODR and Section 177 of the Companies Act 2013. The Audit Committee, inter alia, provides reassurance to the Board on the existence of an effective internal control environment.

**(b) Roles and Powers of the Audit Committee:**

The brief description of the terms of reference of the Committee is as follows:

**Powers**

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

**Roles:**

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommending to the Board, the appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the Statutory Auditors.
4. Reviewing, with the management, the annual financial statements and the auditors report thereon before submission to the Board for approval, with particular reference to:
  - (a) Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - (b) Changes, if any, in accounting policies and practices and reasons for the same;
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) Significant adjustments made in the financial statements arising out of audit findings;
  - (e) Compliance with listing and other legal requirements relating to financial statements;
  - (f) Approval and Disclosure of any related party transactions;
  - (g) Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the statutory auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. To evaluate the internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussing with internal auditors any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of Chief Financial Officer (CFO) (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee;
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
22. To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
23. Such other functions as may be prescribed under the applicable laws and regulations.

The Audit Committee mandatorily reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Management letters / letters of internal control weaknesses issued by the statutory auditors;
3. Internal audit reports relating to internal control weaknesses; and
4. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
5. Statement of deviations:
  - (i) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
  - (ii) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7).

**(c) Meetings of Audit Committee:**

The Meetings of Audit Committee are also attended by the Chairman, Managing Director, CFO, Statutory Auditors and Internal Auditors as special invitees.

During the Financial Year, a total of Eight (8) Audit Committee Meetings were held i.e. on 30<sup>th</sup> May, 2024, 26<sup>th</sup> June, 2024, 08<sup>th</sup> August, 2024, 09<sup>th</sup> October, 2024, 14<sup>th</sup> November, 2024, 18<sup>th</sup> December, 2024, 11<sup>th</sup> February, 2025 and 26<sup>th</sup> March, 2025.

The details of attendance of each member of the Audit Committee is given below:

Name	Designation	No. of meetings held	No. of meetings attended
Mr. Dilip Thakkar (w.e.f. 8 <sup>th</sup> August, 2024)	Chairman	8	5
Mr. S. R. Iyer	Member	8	8
Mr. Y. P. Trivedi (upto 8 <sup>th</sup> August, 2024)	Member	8	3
Mr. V. M. Apte	Member	8	8

#### IV. Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee as on 31<sup>st</sup> March, 2025:

Name of Director	Designation	Chairman/Member
Dr. Naushad Forbes*	Non-Executive Independent Director	Chairman
Mr. Mohamed Anees Noorani	Chairman, Non-Executive Director	Member
Mr. Vaman M. Apte	Non-Executive Independent Director	Member

\* The Nomination and Remuneration Committee was reconstituted on 8<sup>th</sup> August 2024, with Dr. Naushad Forbes being appointed as the Chairman of the Committee in place of Mr. Y. P. Trivedi

Mr. Kumar Iyer, Company Secretary acts as the Secretary to the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee is responsible to overview the process of evaluation of performance of the Board as a whole, Board Committees and the Directors individually.

The Committee's terms of reference include:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel, Senior Management Personnel and other employees.
- 1A. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
3. Devising a policy on diversity of Board of Directors;
4. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. Recommend to the Board, all remuneration, in whatever form, payable to senior management.

During the Financial Year, one (1) Nomination and Remuneration Committee Meeting was held i.e. on 27th March, 2025 and attended by all the members.

**V. Performance evaluation criteria for Independent Directors:**

Based on the Criteria for evaluating the Performance of the Independent Directors as laid down by the Nomination and Remuneration Committee of the Company, the Performance evaluation of the Independent Directors for the Financial Year 2024-25 has been made by the Board of Directors at their meeting held on 24<sup>th</sup> March, 2025.

As a result, in the opinion of the Board, all the Independent Directors of the Company fulfil the conditions specified in the SEBI LODR and are independent of the management.

**Remuneration Policy:**

**A. Remuneration to Managing Director:**

The remuneration payable, if any to the Managing Director is subject to the limits laid down under Section 197 and Schedule V to the Companies Act, 2013, and in accordance with the terms of appointment approved by the members of the Company. The remuneration of the Managing Director is determined by the Nomination & Remuneration Committee. Mr. Salman Yusuf Noorani is entitled to a remuneration consisting of Salary, Company's contribution to Provident Fund, Performance linked Bonus, other perquisites including Company's Car with driver and allowances subject to the same not exceeding the limits as permissible under the Act, applicable from time to time.

The Managing Director is not paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

**B. Executive Director:**

**Details of Remuneration paid to Executive Director for the Financial Year ended 31<sup>st</sup> March, 2025**

Particulars	Mr. Salman Yusuf Noorani, Vice- Chairman & Managing Director	Mr. Mohamed Awais Jehangir Noorani, Whole Time Director- Exports	Mr. Adnan Salman Noorani, Whole-Time Director-Digital
Term of Appointment	For a period of 3 years from 1 <sup>st</sup> March, 2023 to 28 <sup>th</sup> February, 2026.	For a period of 3 years from 1 <sup>st</sup> April, 2024 to 31 <sup>st</sup> March, 2027	For a period of 3 years from 1 <sup>st</sup> April, 2024 to 31 <sup>st</sup> March, 2027.
Salary	Mr. Salman Yusuf Noorani has voluntarily waived off his remuneration for F.Y. 2024-25 and accordingly, no remuneration has been paid/provided in the books for the F.Y. 2024-25.	Rs. 53,25,034/-	Rs. 29,40,000/-
Commission	-	-	-
Minimum Remuneration	In the event of absence or inadequacy of profit under the Act in any financial year, minimum remuneration shall be the same as remuneration paid, subject to the same not exceeding the limits prescribed under the Act.	In the event of absence or inadequacy of profit under the Act in any financial year, minimum remuneration shall be the same as remuneration paid, subject to the same not exceeding the limits prescribed under the Act.	In the event of absence or inadequacy of profit under the Act in any financial year, minimum remuneration shall be the same as remuneration paid, subject to the same not exceeding the limits prescribed under the Act.
Service Contract, Notice Period & Severance Fees	The Appointment is contractual and can be terminated by either of the parties by giving six months' notice or six months' salary in lieu thereof.	The Appointment is contractual and can be terminated by either of the parties by giving six months' notice or six months' salary in lieu thereof	The Appointment is contractual and can be terminated by either of the parties by giving six months' notice or six months' salary in lieu thereof.
Stock option	None	None	None

**C. Non-Executive Directors:**

The Non-Executive Directors, except Mr. Mohamed Anees Noorani, are being paid only sitting fees for attending the meetings of the Board or Committees thereof within the limits prescribed under the Companies Act 2013. Mr. Mohamed Anees Noorani, Chairman and Non-Executive Director had voluntarily agreed to not take any sitting fees for attending any Board or Committee Meetings. Mr. Mohamed Anees Noorani is entitled to a Commission of such amount not exceeding 5% (five per cent) of the Net Profits of the Company w.e.f. 1<sup>st</sup> April, 2017 as per the approval of the Members of the Company. The details of the sitting fees paid/payable to the Non-Executive Directors for the Financial Year 2024-25 are as under:

Name of Director	Sitting Fees paid/payable (in ₹) <sup>#</sup>	Shares held as on 31 <sup>st</sup> March, 2025
Mr. Mohamed Anees Noorani	Nil	60,00,109
Mr. Y. P. Trivedi	2,50,000	23,875
Mr. S. R. Iyer	6,20,000	3,375
Mr. V. M. Apte	7,00,000	2,130
Mr. Bernhard Steinruecke	1,00,000	30,375
Dr. Naushad Darius Forbes	90,000	71,714
Ms. Elizabeth Jane Hulse	50,000	-
Mr. Dilip Thakkar	4,40,000	-
Amb. Ahmad Javed	1,70,000	-

# The Sitting Fees paid is exclusive of GST paid thereon at the applicable rates.

**D. Pecuniary relationship or transaction**

Save and except for the shareholding of the Non-Executive and the Independent Directors (detailed herein above), there is no pecuniary or business relationship between the Non-Executive and the Independent Directors and the Company, except for the sitting fees paid for attending meetings of the Board / Committees as mentioned above.

The Shareholding of Mr. Mohamed Anees Noorani, Non-Executive Director is as mentioned above and the related party transactions entered to by him with the company are given in of the Standalone and Consolidated Financial Statements of the Company.

**VI. Stakeholders' Relationship Committee**

The Company has a Stakeholders' Relationship Committee to monitor and review investors' grievances, share transfers, etc  
The members of the Stakeholders' Relationship Committee as on 31<sup>st</sup> March, 2025:

Name	Designation	Chairman/Member
Mr. Mohamed Anees Noorani	Chairman, Non-Executive Director	Chairman
Mr. Salman Yusuf Noorani	Vice Chairman and Managing Director	Member
Mr. Vaman M. Apte	Non-Executive Independent Director	Member

Mr. Kumar Iyer, Company Secretary is the Compliance Officer.

During the year, only 1 shareholder complaint was received which was resolved fully to the satisfaction of the shareholder and reported to the Committee. There were no pending shareholder complaints as on 31<sup>st</sup> March, 2025.

During the Financial Year One (1) Stakeholders Relationship Committee Meeting was held i.e. on 24<sup>th</sup> February, 2025

**VII. Corporate Social Responsibility (CSR) Committee**

The members of the Corporate Social Responsibility Committee as on 31<sup>st</sup> March, 2025

Name	Designation	Chairman/Member
Mr. Vaman M. Apte	Non-Executive Independent Director	Chairman
Mr. Mohamed Anees Noorani	Chairman, Non-Executive Director	Member
Mr. Salman Yusuf Noorani	Vice Chairman and Managing Director	Member

Mr. Kumar Iyer, Company Secretary acts as the Secretary to the Committee.

The Corporate Social Responsibility Committee recommends CSR initiatives and monitors the implementation of the same as per the Corporate Social Responsibility Policy as approved by the Board.

During the Financial Year One (1) Corporate Social Responsibility Committee Meeting was held i.e. on 24<sup>th</sup> February, 2025 and attended by all the members.

### **VIII. Risk Management Committee**

The Risk Management Committee is responsible for monitoring and reviewing the risk management plans duly approved by the Board. The members of the Risk Management Committee as on 31<sup>st</sup> March, 2025:

Name	Designation	Chairman/Member
Mr. Vaman M. Apte*	Non-Executive Independent Director	Chairman
Mr. Mohamed Anees Noorani	Chairman, Non-Executive Director	Member
Mr. Salman Yusuf Noorani	Vice Chairman and Managing Director	Member

*\*The Risk Management Committee was reconstituted on 8<sup>th</sup> August 2024, with Mr. Vaman Apte being appointed as the Chairman of the Committee in place of Mr. S. R. Iyer.*

Mr. Kumar Iyer, Company Secretary acts as the Secretary to the Committee

During the Financial Year One (1) Risk Management Committee Meeting was held i.e. on 24<sup>th</sup> February, 2025 and attended by all the members.

### **IX. Forex Committee**

The Committee members are responsible for overseeing and implementing the Forex Hedging Policy approved by the Board. The members of the Forex Committee as on 31<sup>st</sup> March, 2025:

Name	Designation	Chairman/Member
Mr. Dilip Thakkar*	Non-Executive Independent Director	Chairman
Mr. Mohamed Anees Noorani	Chairman, Non-Executive Director	Member
Mr. Salman Yusuf Noorani	Vice Chairman and Managing Director	Member

*\*The Forex Committee was reconstituted on 8<sup>th</sup> August 2024, with Mr. Dilip Thakkar being appointed as the Chairman of the Committee in place of Mr. Bernhard Steinruecke.*

Mr. Kumar Iyer, Company Secretary acts as the Secretary to the Committee.

During the Financial Year One (1) Forex Committee Meeting was held i.e. on 25<sup>th</sup> March, 2025 and attended by all the members.

### **X. Investment Committee**

The members of the Investment Committee as on 31<sup>st</sup> March, 2025:

Name	Designation	Chairman/Member
Mr. Mohamed Anees Noorani	Chairman, Non-Executive Director	Chairman
Mr. Salman Yusuf Noorani	Vice Chairman and Managing Director	Member
Mr. S. R. Iyer	Non-Executive, Non Independent Director	Member

Mr. Kumar Iyer, Company Secretary acts as the Secretary to the Committee.

During the Financial Year One (1) Investment Committee Meeting was held i.e. on 28<sup>th</sup> March, 2025 and attended by all the members.

### **XI. Subsidiary Companies**

The following are the Company's Subsidiary / Step down Subsidiaries as on 31<sup>st</sup> March, 2025:

1. Zodiac Clothing Company S.A. (Switzerland) - Subsidiary;
2. Zodiac Clothing Company (U.A.E.) LLC - Step Down Subsidiary;
3. Zodiac Clothing Bangladesh Limited (Bangladesh) - Step Down Subsidiary;
4. Zodiac Clothing Company INC (USA) - Step Down Subsidiary;
5. Zela Technologies INC (USA) - Step Down Subsidiary
6. Zodiac Clothing Company Pvt. Ltd., (UK) - Step Down Subsidiary (w. e. f 05<sup>th</sup> June, 2024)

None of the above Companies are material subsidiaries as defined under Regulation 16 (c) of SEBI LODR. However, the Company has formulated the material subsidiary policy and uploaded on the website of the Company.

The Audit Committee reviews the financial statements of the subsidiaries, in particular the Investments made, if any, by the subsidiary Companies during every quarter.

The minutes of the Board Meeting of the Subsidiaries are periodically placed before the Board of Directors of the Company. The Management also brings to the attention of the Board periodically, the statement of significant transactions entered into by the subsidiaries, if any.

## **XII. Directors seeking appointment/ re-appointment**

Mr. Mohamed Awais Jehangir Noorani and Mr. Adnan Salman Noorani, Whole-Time Directors of the Company retire by rotation at the ensuing 41<sup>st</sup> Annual General Meeting and are eligible for re-appointment.

## **XIII. Other Disclosures:**

### **a. Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements of this Regulation.**

The Company has complied with all the mandatory requirements as stipulated in Schedule V of the SEBI LODR. The non-mandatory requirement as stipulated in Schedule V of SEBI LODR is being reviewed by the Board and has been adopted to the extent and in manner as stated under the appropriate headings in the Report on Corporate Governance.

### **b. Related Party Transactions**

All transactions entered into with the related parties as defined under section 188 of the Companies Act 2013 and Regulation 23 and Schedule V of SEBI LODR during the Financial Year were in the ordinary course of business and on an arm's length basis. Related Party Transactions have been disclosed under the notes forming part of the financial statements in accordance with Ind AS 24. A statement in summary form of transactions with related parties entered to in the ordinary course of business and on Arm's Length basis is periodically placed before the Audit Committee for review and approval.

As required under Regulation 23 of SEBI LODR, the Company has a policy on dealing with related party transactions. The policy is available on the website of the Company.

None of the transactions with related parties were in conflict with the interest of the Company. All transactions are in the normal course of business and have no potential conflict with the interests of the Company at large and are carried out on an arm's length basis.

### **c. Details of non-compliance by the Company, penalties & strictures imposed on the Company by stock Exchange or SEBI or any Statutory Authority, on any matter related to capital market, during the last three years.**

There were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any Statutory Authority for non-compliance of any matter related to the capital market during the last three years except as under:

The Bombay Stock Exchange (BSE) and the National Stock Exchange of India (NSE), via their respective e-mails dated 17<sup>th</sup> March, 2025, have each levied a penalty of Rs. 1,53,400 each (including GST of Rs. 23,400) on the Company. The fines have been imposed for the alleged non-compliance with Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, relating to the Company not having passed a special resolution prior to the appointment of Mr. Dilip J. Thakkar as an Independent Director of the Company since at the time of appointment as he was more than 75 years old. The said fine/s have been paid by the company on 21<sup>st</sup> March, 2025.

This was reported to the Board of Directors of the Company at their meeting held on 28<sup>th</sup> May, 2025.

### **d. Code for Prohibition of Insider trading**

In compliance with SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Board of Directors of the Company have adopted a formal 'Code of conduct for Regulating, Monitoring and Reporting of Trading by Insiders' for prevention of Insider trading by the Directors and Designated Employees and their dependents and have also adopted the Procedure for enquiry in case of leak/suspected leak of Unpublished Price Sensitive Information Policy.

**e. Whistle Blower Policy/Vigil Mechanism**

Pursuant to section 177 (9) & (10) of the Companies Act, 2013 and Regulation 46 of SEBI LODR, the Company has a Whistle Blower Policy for Vigil Mechanism for Directors and employees to report to the management about unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and also provides for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the employees of the Company have been denied access to the Audit Committee. The said policy is disclosed on the website of the company viz: <https://www.zodiaconline.com/codes-and-policies>.

**f. Disclosure of Accounting Treatment**

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the notes to the financial statements.

**g. Web link where policy for determining 'material' subsidiaries is disclosed**

The web link where the policy for determining 'material' subsidiaries is disclosed at <https://www.zodiaconline.com/codes-and-policies>.

**h. Web link where policy on dealing with Related Party Transactions**

The web link where the policy on dealing with Related Party Transactions is disclosed at <https://www.zodiaconline.com/codes-and-policies>.

**i. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

Number of complaints filed during the financial year 2024-25	Number of complaints disposed off during the Financial Year	Number of complaints pending as on end of the Financial Year
Nil	Nil	Nil

**j. The following non-mandatory requirements under Part E of Schedule II of the Listing Regulations to the extent Company has adopted are mentioned below:**

**Discretionary Requirements:**

- The Company maintains a separate office for the Non-Executive Chairman.
- The position of the Chairman and Managing Director are separate.
- The Auditors' Opinion on the Financial Statements continues to be Unmodified.
- The Internal Auditor reports directly to the Audit Committee of the Company.

**k. Details of Total Fees for all services paid by Zodiac and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/ network entity of which the Statutory Auditor is a part.**

The total fees paid to the Statutory Auditors are given in the Standalone Financial Statements.

**l. Shareholder Information**

**A) General Body Meeting**

**1. Details of last three Annual General Meetings held:**

FINANCIAL YEAR	DAY & DATE	TIME	VENUE
2021-2022	Friday, September 30, 2022	3.00 p.m.	Nyloc House, 254, D-2, Dr. Annie Besant Road, Worli, Mumbai – 400 030 (through video conferencing/other audio visual means)

2022-2023	Friday, September 29, 2023	3.00 p.m.	Nyloc House, 254, D-2, Dr. Annie Besant Road, Worli, Mumbai – 400 030 (through video conferencing /other audio visual means)
2023-2024	Friday, September 27, 2024	3.00 p.m.	Nyloc House, 254, D-2, Dr. Annie Besant Road, Worli, Mumbai – 400 030 (through video conferencing /other audio visual means)

**2. Whether any Special Resolutions were passed in the previous three AGMs:**

**38<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2022:**

At this meeting, the following Special Resolutions were passed:

- Re-appointment of Mr. Salman Yusuf Nooran (DIN: 00068423) as the Managing Director of the Company and approval of the remuneration payable to him.
- Re-appointment of Dr. Naushad Darius Forbes (DIN: 00630825) aged 62 years, as an Independent Director of the Company.

**39<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> September, 2023:**

At this meeting, the following Special Resolution was passed:

- To approve material related party transaction limits with Zodiac Metropolitan Clothing GMBH

**40<sup>th</sup> Annual General Meeting held on 27<sup>th</sup> September, 2024:**

At this meeting, the following Special Resolutions were passed:

- Appointment of Mr. Dilip Jayantilal Thakkar (DIN:00007339) as an Independent Director of the Company.
- Appointment of Amb. Ahmad Javed (DIN:08668304) as an Independent Director of the Company
- Re-appointment of Mr. Vaman Madhav Apte (DIN:00003651) as an Independent Director of the Company.
- Appointment of Mr. Subramaniam Ramachandran Iyer (DIN:00580437) as a Non-Independent Non-Executive Director of the Company.

**B) Extra- Ordinary General Meeting:**

There was no Extra Ordinary General Meeting held during the F.Y. 2024-25.

**C) Postal Ballot:**

**Whether any special resolution passed through postal ballot:**

During the year, the Company has sought the approval of members through postal ballot via remote e-voting for the following special resolutions:

<b>Sr. no.</b>	<b>Date of Postal Ballot Notice</b>	<b>Date of Declaration of Postal Ballot Results</b>	<b>Particular</b>	<b>Votes in favour of the resolution</b>		<b>Votes against the resolution</b>	
				<b>No. of votes</b>	<b>% to total votes</b>	<b>No. of votes</b>	<b>% to total votes</b>
1.	17 <sup>th</sup> May, 2024	18 <sup>th</sup> June, 2024	Appointment of Mr. Mohamed Awais Jehangir Nooran (DIN: 00951424) as the Whole-Time Director, designated as Executive Director – Exports, of the company and the remuneration payable to him	18426746	99.9988	224	0.0012

2.	17 <sup>th</sup> May, 2024	18 <sup>th</sup> June, 2024	Appointment of Mr. Adnan Salman Noorani (DIN: 08689050) As The Whole-Time Director, designated as Executive Director – Digital, of the Company and the Remuneration payable to him.	18426746	99.9988	224	0.0012
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**Person who conducted the postal ballot exercise:**

Mr. B. Narasimhan, Proprietor B N & Associates a Practicing Company Secretary.

**The details of the Resolutions proposed to be passed by the postal ballot are as follows:**

Sr. No.	Resolution	Type of Resolution
1	Raising of funds through issue of equity shares on preferential allotment basis to he individual investors - promoters for cash.	Special Resolution
2	Revision in the remuneration payable to Mr. Mohamed Awais Jehangir Noorani (DIN:00951424), Whole-time Director of the Company.	Special Resolution
3	Revision in the remuneration payable to Mr. Adnan Salman Noorani (DIN:08689050), Whole-time Director of the Company.	Special Resolution

**Procedure for postal ballot:**

The procedure for postal ballot is as per the provisions contained in this behalf in the Companies Act, 2013 and rules made thereunder namely “The Companies (Management and Administration) Rules, 2014” as amended from time to time read with circulars issued by Ministry of Corporate Affairs.

**XIV. Means of Communication:**

- Quarterly Results: Published in the newspapers in terms of Regulation 33 of SEBI LODR.
- Newspapers in which results are normally published in:
  - Business Standard (English Newspaper All India Edition).
  - Lokmat (Marathi Newspaper - Mumbai Edition)
- The Company’s financial results and official press releases are displayed on the Company’s website: [www.zodiaconline.com](http://www.zodiaconline.com)
- Any presentation made to the Investors and analysts are also posted on the Company’s website viz. [www.zodiaconline.com](http://www.zodiaconline.com)
- During the year under review, no presentations were made to analysts.

**XV. General Shareholder Information**

**a) Annual General Meeting for the financial year 2024-25:**

Day & Date	Time	Venue
Monday, 29th September, 2025	3.00 p.m.	Annual General Meeting through Video Conference/ Other Audio-Visual Means (Deemed Venue for meeting - Nyloc House, 254, D2, Dr. Annie Besant Road, Mumbai - 400030.)

**b) Financial Year 2025 - 2026 (tentative) Schedule of the Board Meetings:**

- |   |  |
|---|--|
| First Quarter ended 30 <sup>th</sup> June, 2025       | : On or before 14 <sup>th</sup> August, 2025   |
| Second Quarter ended 30 <sup>th</sup> September, 2025 | : On or before 14 <sup>th</sup> November, 2025 |
| Third Quarter ended 31 <sup>st</sup> December, 2025   | : On or before 14 <sup>th</sup> February, 2026 |
| Fourth Quarter ended 31 <sup>st</sup> March, 2026     | : On or before 30 <sup>th</sup> May, 2026      |

**c) Dates of Book Closure:**

There was no corporate action executed during the financial year 2024-25.

**d) Dividend payment date:**

The Board has not recommended any Dividend for the year under consideration.

**e) Disclosure of details of Unclaimed Shares (under Schedule V of SEBI LODR):**

In terms of Schedule V of SEBI LODR, the details of the Unclaimed Shares lying in the Unclaimed Share Suspense Account are as follows:

Sr.No.	Particulars	No. of Shareholders	No. of Equity Shares
i	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Shares Suspense Account as on 1 <sup>st</sup> April, 2024	5	1400
ii	Number of shareholders who approached the Company for transfer of shares from the Unclaimed Shares Suspense Account during the year	-	-
iii	Number of shareholders to whom the shares were transferred from the Unclaimed Shares Suspense Account during the year	-	-
iv	Shares credited to the IEPF suspense account in terms of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 published on 5 <sup>th</sup> September, 2016.	1	250
v	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Shares Suspense Account as on 31 <sup>st</sup> March, 2025, whose voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.	4	1150

**f) Listing on Stock Exchanges:**

The Equity Shares of the Company continues to be listed at the following Stock Exchanges: -

**BSE Limited**

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.

**National Stock Exchange of India Ltd.**

Exchange Plaza, Bandra – Kurla Complex, Bandra (E), Mumbai – 400 051.

**Note:**

Listing Fees have been paid to the aforesaid Stock Exchanges upto the F.Y. 2025-2026.

**g) Suspension from trading:**

None of the Security/ies of the Company have been suspended from trading on any of the Stock Exchanges.

**h) Dematerialisation of equity shares:**

99.84% of the total equity share capital are in dematerialised form with NSDL and CDSL.

**i) Registrar & Share Transfer Agents**

KFin Technologies Limited Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032, Telangana. Toll Free no.: 1800-309-4001

**j) Share Transfer System**

As mandated by SEBI, securities of the Company can be transferred / traded only in dematerialised form. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation. During the year, Stakeholders Relationship Committee meets as and when required to, inter alia, consider the issue of duplicate share certificates and attend to Shareholders' grievances, etc.

**k) Distribution of shareholding as on 31<sup>st</sup> March, 2025**

ZODIAC CLOTHING COMPANY LIMITED					
Distribution of Shareholding as on 31/03/2025					
Sr. No	Category (Shares)	No.of Shareholders	Percentage (%)	No.of Shares	% To Equity
1	1-5000	10798	107.98	23,42,967	10.99
2	5001- 10000	83	0.83	6,22,757	2.40
3	10001- 20000	33	0.33	4,83,780	1.86
4	20001- 30000	18	0.18	4,49,299	1.73
5	30001- 40000	5	0.05	1,76,983	0.68
6	40001- 50000	1	0.01	40,375	0.16
7	50001- 100000	9	0.09	5,55,313	2.14
8	100001 and above	16	0.16	2,13,22,243	82.03
<b>TOTAL:</b>		<b>10,963</b>	<b>100.00</b>	<b>2,59,93,717</b>	<b>100.00</b>

**l) Shareholding Pattern as on 31<sup>st</sup> March, 2025**

Sr. No	Particulars	Total Number of Shares	Percentage of Holding
(I)	(II)	(IV)	(VI)
<b>(A) PROMOTER HOLDING</b>			
(1)	INDIAN	62,50,784	24.05
(2)	FOREIGN	1,23,09,948	47.35
	<b>TOTAL (A)</b>	<b>1,85,60,732</b>	<b>71.40</b>
<b>(B) PUBLIC SHAREHOLDING</b>			
(1)	INSTITUTIONS	0	0
(2)	NON-INSTITUTIONS	7432985	28.60
	<b>TOTAL (B)</b>	<b>74,32,985</b>	<b>28.60</b>
	<b>GRAND TOTAL (A+B) :</b>	<b>2,59,93,717</b>	<b>100.00</b>

**m) Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on Equity:** None

**n) Foreign exchange risk and hedging activities.**

The Company's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of hedging instrument match exactly with the terms of the hedged items, and so a qualitative assessment of effectiveness is performed. For full details Refer note no. 45 of the standalone financial statements of the Company.

**o) Credit Rating**

The information pertaining to credit rating and changes therein during the year is as follows:

Facilities/Instruments	Date	Rating
Short Term – Bank Facilities	2 <sup>nd</sup> August, 2024	CRISIL A4+
Long Term - Bank Facilities	2 <sup>nd</sup> August, 2024	CRISIL BB/Stable

**p) Liquidity**

The Company's Equity Shares are traded on Stock Exchanges i.e. BSE Limited and the National Stock Exchange of India Limited.

**t) Plant Location**

**(I) Bangalore: –**

1. Near Bagalur Cross, Air Force Station, P.O. Yelahanka, Bangalore - 560 063.
2. No. 9B, 2nd Phase, Bommasandra Industrial Area, Hebbatgudi Village, Anekal Taluka Bangalore – 560099
3. No. 107 & 108, 4th 'C' cross, 5th Block, Koramangala Industrial Layout, Bangalore – 560095

**(II) Gujarat: –**

1. A-1, 181 / 1, GIDC, Umbergaon, Valsad, Gujarat: 396171.
2. C/2 / 7, GIDC, Industrial Area, Umbergaon Valsad, Gujarat- 396 171.
3. Plot no. 411, Phase III, GIDC, Umbergaon, Valsad, Gujarat- 396171

**r) Address for Correspondence:**

**For Shares held in Physical form:**

KFin Technologies Limited  
Selenium Tower B, Plot 31 & 32, Financial District,  
Nanakramguda, Serilingampally Mandal,  
Hyderabad - 500 032, Telangana.  
Toll Free no.: 1800-309-40011  
Email: shyam.kumar@kfintech.com  
Website: www.kfintech.com

**For Shares held in Demat Form:**

Investor's concerned Depository Participant(s) and/ or KFin Technologies Limited.

**For General Correspondence write to:**

Mr. Kumar Iyer  
VP- Legal & Company Secretary  
Zodiac Clothing Company Limited  
Nyloc House, 254, D-2, Dr. Annie Besant Road,  
Worli, Mumbai 400 030.  
e-mail: cosecy@zodiacmte.com

**s) Disclosure in relation to recommendation made by any Committee which was not accepted by the Board:**

The Board has accepted all the recommendations by various committees of the Board during the financial year 31<sup>st</sup> March, 2025.

**t) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:**

During the FY 2024-25, the Company has not granted any Loans and advances in the nature of loans to firms/companies in which directors are interested.

**u) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:**

During the FY 2024-25, the Company does not have a material subsidiary.

**v) Certificate from Company Secretary in Practice on Debarment or Disqualification of Directors**

As required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company are debarred or disqualified from being appointed or continuing to act as director of the Company by the Board/Ministry of Corporate Affairs or any such Statutory Authority is attached as Annexure A to this Report.

Place: Mumbai

Date: 28<sup>th</sup> May, 2025

**S. Y. NOORANI**

Vice Chairman & Managing Director

DIN: 00068423

**AWAIS J. NOORANI**

Executive Director- Exports

DIN: 00951424

## **CEO AND CFO CERTIFICATION UNDER REGULATION 17(8) OF SEBI LODR**

We, S. Y. Noorani, Vice Chairman & Managing Director and B. Mahabala, Chief Financial Officer (CFO) to the best of our knowledge and belief, certify that:

- (A) We have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2025 of Zodiac Clothing Co. Ltd., and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct
- (C) We accept responsibility for establishing and maintaining Internal Controls for the Financial Reporting and that we have evaluated the effectiveness of the Internal Control system of the Company pertaining to Financial Reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (D) We have indicated to the Auditors and the Audit Committee:
- (1) significant changes in Internal Control over Financial Reporting during the year,
  - (2) significant changes in accounting policies during the year if any, and that the same have been disclosed in the notes to the financial statements; and
  - (3) instances of significant fraud, if any, of which we have become aware and the Involvement therein, if any, of the management or an employee having a significant role in the Company's Internal Control System over Financial Reporting.

**S. Y. NOORANI**

Vice Chairman & Managing Director  
DIN: 00068423

**B. MAHABALA**

Chief Financial Officer (CFO)

Place : Mumbai

Date : 28<sup>th</sup> May, 2025

### **Annual Declaration by the Vice Chairman & Managing Director**

I do hereby declare that pursuant to Schedule V (D) read with the Regulation 34 (3) of the SEBI LODR, all Board members and senior management personnel of the Company have affirmed compliance with the Code of Conduct and Ethics for the year ended 31<sup>st</sup> March 2025.

**S.Y. NOORANI**

Vice Chairman & Managing Director  
DIN: 00068423  
Date: 28<sup>th</sup> May, 2025

## **Independent Auditors' Certificate on Corporate Governance**

### **To the Members of Zodiac Clothing Company Limited**

We the Statutory Auditors of Zodiac Clothing Company Limited (the 'Company') have examined the compliance of conditions of Corporate Governance by the Company for the year ended March 31, 2025 as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D, E of schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015 ('the Regulations') and as amended from time to time.

#### **Management's Responsibility**

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

#### **Auditor's Responsibility**

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

#### **Opinion**

Based on our examination of relevant records and information and according to the explanations given to us and the representation provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D, E of schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015, during the year ended March 31, 2025, as applicable.

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

#### **For MSKA & Associates**

*Chartered Accountants*

Firm Registration No. 105047W

#### **Ankush Agrawal**

*Partner*

Membership No.159694

UDIN: 25159694BMLWGZ5736

Place: Mumbai

Date: 28<sup>th</sup> May, 2025

## **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

*(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,  
The Members of  
Zodiac Clothing Company Limited  
Nyloc House 254, D-2,  
Dr. Annie Besant Road, Worli  
Mumbai 400030

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Zodiac Clothing Company Limited having CIN- L17100MH1984PLC033143 and having registered office at Nyloc House 254, D-2, Dr. Annie Besant Road, Worli, Mumbai-400030 Maharashtra, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Director's Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and its officers, We hereby certify that none of the directors on the board of the Company as stated below for the financial year ended on March 31, 2025 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Designation</b>	<b>DIN</b>	<b>Date of appointment in Company</b>
1.	Mohamed Awais Jehangir Noorani	Whole-time Director	00951424	01/04/2024
2.	Adnan Salman Noorani	Whole-time Director	08689050	01/04/2024
3.	Vaman Madhav Apte	Independent Director	00003651	13/08/2019
4.	Mohamed Anees Noorani	Director	00041686	14/06/1984
5.	Salman Yusuf Noorani	Managing Director	00068423	31/01/2009
6.	Subramaniam Ramachandran Iyer	Non-Executive Non-Independent Director	00580437	22/06/2002
7.	Naushad Darius Forbes	Independent Director	00630825	29/03/2018
8.	Elizabeth Jane Hulse	Independent Director	07094093	11/02/2015
9.	Dilip Jayantilal Thakkar	Independent Director	00007339	24/07/2024
10.	Ahmad Javed	Independent Director	08668304	24/07/2024

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

For **ROBERT PAVREY & ASSOCIATES LLP**  
*Company Secretaries*  
FRN - L2024MH016100

Place: Mumbai  
Dated: 24<sup>th</sup> May, 2025

**Prerna Jadhav**  
**Partner**  
**ACS No. : 34667 CP. No. : 14036**  
**UDIN: A034667G000430832**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. ECONOMIC OVERVIEW:

The year 2024 began with more than sixty nations – among them major economies like India, France, the United Kingdom and the United States - heading to the polls to choose their governments and respective fiscal road maps. This wave of democratic activity materially influenced policy direction, and the global economy has since faced a complex confluence of geopolitical tensions and evolving trade patterns.

Growth and inflation remain uneven across regions. Global headline inflation is projected to decline to 4.2% in 2025 and further to 3.5% by 2026, with advanced economies anticipated to reach their inflation targets ahead of their emerging and developing counterparts. In response to abating inflationary pressures, several monetary authorities enacted rate cuts to support economic momentum. Monetary policy notwithstanding, against a backdrop of persistent geopolitical frictions and uncertain tariff regimes, the global landscape appears poised for a period of short- to medium-term volatility. Should tensions escalate, a consequential surge in commodity prices would almost certainly follow.

On the growth front, the International Monetary Fund's World Economic Outlook paints a picture of divergence across regions, compounded by escalating trade tensions. These headwinds prompted a downward revision of the global growth forecast by 50 basis points for 2025 and 30 basis points for 2026. The IMF now anticipates global GDP growth of 2.8% in 2025, with advanced economies projected to expand by 1.4% and emerging & developing markets by 3.7%.

India's economic performance in FY 2024-25 remained resilient, albeit with a moderation in growth shaped by a combination of domestic factors and external uncertainties. Real GDP growth is forecast at 6.5%, down from 9.2% in the previous fiscal year - a deceleration attributed to reduced government capital expenditure, tepid private investment, and subdued consumption demand.

The Union Budget for 2025–26 introduced various measures designed to accelerate infrastructure development, improve the ease of doing business, empower states through targeted capital allocations, and incentivize private consumption through tax relief. Collectively, these initiatives aim to stimulate domestic demand and advance inclusive growth. Private consumption appears poised to be the biggest beneficiary, buoyed by improved agricultural prospects and measures to support rural incomes, alongside tax concessions benefiting the middle class including higher exemption thresholds and reduced rates across various slabs.

Complementing fiscal policy, the Reserve Bank of India implemented two successive 25-basis-point reductions in policy rates, marking a clear shift from its earlier inflation-containment stance. In addition, the cash reserve ratio was lowered by 50 basis points to 4% as of December 2024 to augment systemic liquidity. With inflation showing discernible signs of easing, the RBI is expected to maintain an accommodative posture, prioritizing the revival of demand and the stimulation of private consumption.

Infrastructure expansion remains a focus for the Indian government, with sustained emphasis on the development of roads, railways, ports, and aviation - underpinned by a broader commitment to inclusive and sustainable economic growth. The real estate sector continues to thrive, fueled by surging demand in the residential segment and record-high leasing activity in commercial and office spaces. Strengthening private consumption is further propelling the retail and hospitality sectors.

### 2. INDUSTRY STRUCTURE AND DEVELOPMENT:

The clothing industry is among the most dynamic and competitive sectors globally, characterized by rapid shifts in fashion trends, technological advancements and evolving consumer preferences. As of 2024, the size of the global apparel market is estimated at USD 1.8 trillion, and it is projected to grow at 4% annually to reach USD 2.3 trillion by 2030. Global apparel trade amounted to USD 515 billion during 2024, with China continuing to account for the lion's share, followed by Bangladesh and Vietnam and then India.

India's domestic market for apparel is estimated at USD 108 billion in 2024 – the market has grown at a CAGR of 7% since 2019 and is projected to continue growing at a similar pace to reach USD 175 bn by 2030. Apart from domestic demand, India exported apparel to the tune of USD 16 billion during the year.

The fiscal year was a challenging one for Indian apparel retailers, with most organized players experiencing subdued sales growth, particularly in the first half, largely on account of inventory overhang from the prior year. The latter half of the year saw some improvement in demand, driven by festive sales and a busy wedding season. The outlook going forward is cautiously optimistic.

From an export standpoint, the ongoing Russia-Ukraine war led to persistent high inflation and subdued consumer demand across Europe during the year. The challenging demand environment was exacerbated by the Red Sea conflict in early 2024, which disrupted freight costs and transit times. Meanwhile, the civil unrest in Bangladesh following the change in leadership caused a significant disruption to the country's garment industry and broader export operations, leading buyers to divert their sourcing to other countries, including India.

Looking ahead, all eyes are currently on the United States, where proposals for wide-ranging reciprocal tariffs against key supplier nations have raised the prospect of significant disruptions to global trade flows, should such measures be enacted. More encouragingly, India's is expected to soon conclude a Free Trade Agreement with the United Kingdom, which shall be a welcome milestone that should provide a substantial fillip to apparel exports to the UK.

In other industry trends, sustainable sourcing in the textile industry has shifted from being a niche aspiration to a core strategic imperative, driven by rising consumer expectations and regulatory pressures. The growth of the market for sustainable apparel is expected to far outpace that of the wider apparel industry, underpinned by brands increasingly

prioritizing transparency, eco-friendly materials, and ethical labor practices. This collective push is fostering innovation on materials, production processes and waste management.

Digitization and artificial intelligence are increasingly being deployed across the textile and apparel value chain - from automated process control on shopfloors and real-time quality monitoring to predictive demand forecasting and inventory optimization in retail. These technologies are already delivering measurable improvements in efficiency and cost control, and their role is expected to expand significantly in the years ahead, transforming both manufacturing competitiveness and consumer engagement

### **3. (A) OPPORTUNITIES**

The global textile and apparel industry is undergoing a period of transformation, offering considerable scope for expansion and innovation. Post the pandemic, a marked shift in consumer preferences has emerged, with growing emphasis on sustainability and environmentally responsible practices. This trajectory is expected to persist, as consumers increasingly gravitate towards brands that demonstrate a commitment to both ecological stewardship and social responsibility. Your Company has already taken meaningful steps in this direction, including the adoption of GOTS-certified organic cotton and the establishment of water-positive manufacturing facilities. The momentum towards eco-conscious production, resource efficiency, and circularity is anticipated to intensify, presenting a singular opportunity to further distinguish our offerings and capture market share.

India's demographic profile remains a structural advantage. With a median age of 28.4 years, the country enjoys a youthful, aspirational population that is well-positioned to fuel consumption-led growth—particularly across the lifestyle, retail, and discretionary segments. Rapid urbanization continues to reshape patterns of consumption, driving demand for premium fashion and lifestyle products. In addition, the Government's decision to raise the personal income tax exemption threshold to ₹ 12 lakhs in the Union Budget 2025–26 is expected to bolster consumer confidence and stimulate expenditure across retail, apparel, and luxury categories.

Concurrently, India's digital economy is expanding at an unprecedented pace, with e-commerce accounting for approximately 20% of total retail purchases in 2024. The number of digital transactions is projected to triple over the next five years, rising from 159 billion in 2024 to 481 billion by 2029. The confluence of increased internet penetration and widespread smartphone adoption is fundamentally altering the consumer landscape, ushering in a new era of digitally enabled commerce.

India is poised to become the world's third largest economy by 2027, with the retail market projected to be around USD 2 trillion by 2032. Within the fashion sector, the shift towards organized retail and premiumization is becoming increasingly pronounced. Consumers are demonstrating heightened brand awareness, prioritizing quality, variety, and exclusivity in their purchasing decisions.

Through the deployment of data analytics, customer relationship management tools, and digital engagement platforms, your Company has redefined its interaction with customers - delivering personalized, seamless, and enduring brand experiences.

In conclusion, the Indian textile and apparel sector stands to benefit significantly from both global and domestic tailwinds. By capitalizing on its capabilities in manufacturing, sustainability, and technology, Zodiac is well positioned to serve an expanding share of the market, both at home and abroad. Our enduring commitment to innovation and ecological responsibility will remain central to our growth strategy in the years ahead.

We are also pleased to report that Zodiac's fully integrated production facility in Bangladesh is scheduled to commence operations by August 2025. This initiative will enable us to serve price-sensitive export markets more efficiently.

### **(B) THREATS:**

Persisting geopolitical tensions—including the protracted Russia–Ukraine conflict—continue to disrupt global supply chains, elevate input costs, and dampen economic sentiment. These dynamics are likely to exert pressure on consumer demand.

Recognizing India's emergence as a key growth market, several international apparel brands have established operations within the country, underscoring the sector's increasing strategic importance on the global stage. Escalating retail rentals, a proliferation of e-commerce platforms, and the entry of new players are expected to intensify competitive pressures across both online and offline channels.

Macroeconomic headwinds—such as elevated inflation and shifting discretionary spending patterns—may affect consumer purchasing behavior, necessitating agility in pricing models and marketing strategies.

A fast evolving Indian retail space, rising retail rentals, rising e-commerce players and new entrants are likely to increase competitive pressures.

The threat of further geopolitical instability, such as potential new conflicts or trade wars also looms large. These risks could disrupt global supply chains, increase costs and create uncertainty in key markets, impacting both availability of raw materials and demand for finished products.

Competition from low-cost manufacturing hubs—such as Bangladesh, Vietnam, and Cambodia—continues to grow, driven by favorable trade agreements that place Indian exporters at a relative disadvantage. The appreciation of the Indian rupee against regional currencies such as the Bangladeshi Taka and Vietnamese Dong further erodes the global competitiveness of Indian goods.

The rise of fast fashion and constantly evolving consumer preferences have heightened the demand for speed and agility in manufacturing. Brands unable to respond with swift product cycles risk ceding ground to more nimble competitors.

The increasing penetration of ecommerce platforms has intensified competition, with many new entrants offering deep discounts and aggressively pricing their products to gain market share, thereby putting pressure on traditional brick and mortar retailers and established brands to innovate and adapt quickly or risk losing relevance.

Technological disruption, while offering substantial opportunity, also poses existential risks for companies that are slow to adopt and invest in new digital tools and platforms. The growing importance of data analytics, AI driven customer insights and automation in manufacturing requires continuous upgrading of capabilities to remain competitive. Companies that lag in this digital transition may encounter operational inefficiencies and forego valuable market opportunities.

Sustainability, while presenting opportunities, also imposes challenges like increasing regulatory scrutiny and consumer demand for eco-friendly products, thereby compelling companies to adopt more sustainable practices. However, the transition involves considerable investments in new technologies, systems and processes. Companies that are unable to meet these demands risk losing market share to more agile, sustainability-forward competitors.

In the domestic market, the Indian clothing industry continues to face the challenge of slowing demand, exacerbated by erratic weather patterns and subdued agricultural growth. This has continued to impact mass consumption segments, particularly in rural areas, where spending has been weaker than expected. Additionally, inflationary pressures, though moderated in the past year, continue to pose a threat to consumer spending, particularly in lower-income segments.

Regulatory challenges also persist. Delays in Goods and Services Tax (GST) refunds have created acute liquidity constraints—especially for micro, small, and medium enterprises (MSMEs). Moreover, the lack of clarity regarding future trade policy and regulatory direction compounds strategic uncertainty, hampering long-term planning and execution.

In summary, while the Indian textile and apparel industry presents a host of promising opportunities, it must contend with a range of complex and material risks. Navigating these will require disciplined cost management, sustained investment in innovation, and an unwavering commitment to sustainability to preserve relevance and remain competitive.

#### **4. SEGMENT / PRODUCT WISE PERFORMANCE:**

The Company is exclusively engaged in the business of clothing and clothing accessories and in the context of the Indian Accounting Standard (Ind AS 108) constitutes one single operating segment. The Company's three segment leading brands Zodiac, Zod and z3 are well established and cater to diverse customer needs.

The geographical segment is identified and given below:

Year Ended 31<sup>st</sup> March, 2025 - On a Consolidated Basis  
(Unit: ₹ lakhs)

Particulars	India	Rest of the World	Total
Segment Revenue (Net)*	6,879.24	10,561.01	17,440.25
Carrying Cost of Segment Non-Current Asset**@	14,784.99	988.76	15,773.75

\*Based on location of Customers

\*\* Based on location of Assets

@ Excluding Financial Assets and deferred tax asset

#### **5. OUTLOOK:**

Escalating trade frictions and heightened policy uncertainty are exerting a discernible drag on global economic momentum. World output is projected to expand by 2.8% in 2025 and 3.0% in 2026, materially below the historical average of 3.7% achieved between 2000 and 2019. By contrast, India's growth outlook remains comparatively resilient, with GDP expected to rise by 6.2% in 2025, supported largely by private consumption, particularly within rural markets.

Absent substantive structural reforms, the global economy is likely to remain weighed down by persistent headwinds - over the medium term, growth is forecast at 3.2%, once again below the historical trend cited above. Demographic shifts - most notably population ageing - are emerging as a common structural constraint: reducing productivity, dampening labor force participation, and eroding long-term growth potential.

India's economic prospects for FY2026 remain cautiously optimistic. While external risks persist - ranging from geopolitical instability to commodity price shocks - several domestic factors may provide support. Sustained capital investment by the private sector, underpinned by the conversion of strong order books into actual deployment, together with improving consumer confidence and rising corporate wages, will be key drivers. Additionally, rural demand is expected to strengthen, aided by a recovery in agricultural output, an anticipated easing of food inflation, and continued macroeconomic stability.

A notable structural trend within India is the rapid pace of premiumisation and the expansion of the luxury segment. Rising disposable incomes, the pervasive influence of social media, and easier access to consumer credit are fueling a discernible shift in consumer behavior. Increasingly, customers view premium and luxury goods as investments in quality and longevity, while simultaneously seeking exclusivity and products that reflect status and personal identity. This phenomenon is particularly visible in fashion, where demand for high-quality and luxury offerings is accelerating, driving the growth of premium retail and broadening the presence of luxury brands.

Against this backdrop, Zodiac is strategically positioned to leverage its competitive strengths in manufacturing excellence, sustainability, technology and innovation. The Company continues to expand its product portfolio, enhance its digital presence, and deploy technology to improve operational efficiency, while maintaining a strong commitment to sustainable practices. These pillars will remain central to success in both domestic and international markets.

As part of its long-term growth strategy, Zodiac has undertaken the following notable initiatives during the year:

**Made-to-Order Programme:** Select Zodiac stores now offer discerning customers bespoke services, enabling them to commission jackets, trousers, shirts, and bandhgalas in fabrics of their choice, tailored precisely to individual measurements.

To cater to the growing demand for luxury products Zodiac has extended its range of high- end shirts called Carletti. They are crafted from the very rare single 100s count Italian-woven Egyptian Giza 87 cotton and are available exclusively at flagship ZODIAC Stores across metro locations.

**Product Line Extension:** The Company has entered the premium men's innerwear category under the brand Inner Wear. This line is crafted from 94% Supima cotton blended with 6% Mobilon yarn, reinforcing Zodiac's commitment to comfort, quality, and innovation.

Zodiac Clothing Bangladesh Limited, the Company's step down subsidiary is all set to commence its initial production from August 2025. This facility has been set up based on best practices and experience gathered over decades across our several manufacturing units. The key to this factory lies in the high level of automation coupled with ML software which learns from real time usage. Use of technology enables this unit with the unique flexibility to handle both small and large production runs and is highly scalable.

Zodiac's Direct to Consumer business on its own its digital platform has seen unprecedented growth year on year without compromising on the brand values of strict non - discounting and 100% pre-paid transactions. This performance was fueled by investing in a highly scalable and robust cloud infrastructure coupled with UI/UX optimization and data driven experiments on consumer behavior. Technology was used to enhance the customer shopping experience from click to delivery resulting in faster shipping and fostering higher repeat purchases. Leveraging consumer insights and analytics enabled us to maximize bottom funnel conversion while bringing new customers into the ZODIAC ecosystem. Our adoption of AI & ML extended beyond creative and media use cases into software engineering, manufacturing and omni-channel consumer insights.

## 6. RISKS AND CONCERNS:

The Company has identified key risks to include fluctuation in raw material prices, weak demand,

increased global and local competition, currency fluctuations and sales channel disruptions. In addition, regulatory risks include changes in taxation regime, government policies with respect to textiles and clothing, pollution control, industrial relations issues & failure to comply with regulatory provisions. Rising interest rates and unwarranted blockage of funds in GST refunds are another significant risk. A Company- wide awareness of risk management policies and practices is being inculcated to mitigate the adverse effect of foreseeable risks on the operating results.

## 7. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company's internal control systems, which are supplemented by an exhaustive internal audit (by an independent audit firm reporting directly to the Audit Committee), which is regularly subjected to in-depth involvement of the management. Internal Audit covers the various functions, processes and other activities, including own retail operations of the Company. Transactions are authorised, recorded and reported accurately and subjected to audit as well. The system of internal controls also ensures that all assets are safeguarded, insured and protected against loss. The internal control systems are designed to ensure that the financial statements are prepared based on reliable information. The reports presented by internal auditors are reviewed by the audit committee on a routine basis. The committee makes note of the audit observations and takes corrective actions, if necessary. The committee maintains constant dialogue with statutory and internal auditors to make sure that internal control systems are operating effectively.

## 8. COMPANY'S FINANCIAL PERFORMANCE (STANDALONE):

(₹ in lakhs)

	2024 -25	2023 - 24
Total Revenue from Operations (Net)	17291.47	14,412.19
PROFIT/(LOSS) BEFORE TAXATION	(3450.43)	(3,510.92)
Provision for Taxation:		
Current Tax	-	-
Deferred tax Charge/(Credit)	580.66	(24.73)
Tax in respect of earlier years	-	0.39
PROFIT/(LOSS) AFTER TAXATION	(4031.09)	(3,486.58)
Other Comprehensive Income / (Loss)	(333.15)	224.84
Total Comprehensive Income / (Loss) for the year	(4364.24)	(3,261.74)

### **Operational Revenue & Profits:**

Loss before tax decreased during FY 2024-25, in spite of the continued challenges arising out of the volatile macro-economic environment, supply chain disruptions and geopolitical unrest most notably the ongoing war in Ukraine and the recent conflict in Gaza and Israel. Despite this, the Company continues to remain focused on executing its strategic roadmap, reducing expenses and building on the foundations that we have laid to spur our future growth.

The company continues its focus on expanding its digital presence and operational efficiency through technology, thereby substantially improving the company's sales through this channel.

All this should result in increased EBIDTA, going forward.

### **During the Year:**

The Company is in compliance with the Code of Conduct for Prevention of Insider Trading formulated in terms of provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

### **9. HUMAN RESOURCES DEVELOPMENT / INDUSTRIAL RELATIONS:**

The Company recognizes the need of continuous growth and development of its employees to meet the challenges posed by a rapidly growing consumer facing organization, besides fulfilling their own career path objectives. Consequently, the role of Human Resources continues to remain vital and strategic to the Company.

The Company considers its employees as the most important asset and integral to its competitive position. It has a well-designed HR policy that promotes a conducive work environment, inclusive growth, equal opportunities and competitiveness and aligns employees' goals with the organization's growth vision. Its human resource division plays a crucial role to build a strong and talented workforce. It provides opportunities for professional and personal development and implements comprehensive employee engagement and development programmes to enhance the productivity and skills of its employees.

Most importantly, it places great emphasis on eliminating all forms of discrimination in terms of employment and professional activities (gender, age, race, political affiliation, religion, among others). It pays special attention to professional equality, gender equality, the employment of seniors and young people, the employment of people with disabilities.

Talent and culture are among the key building blocks in shaping us into a resilient and sustainable organization. We will continue to focus on defined strategic areas to leverage the potential of our human capital. As of 31st March, 2025, the Company's strength stood at 1008 employees.

### **10. STANDALONE KEY FINANCIAL RATIOS:**

<b>Particulars</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>	<b>Detailed explanation (if change is 25% or more)</b>
Debtors Turnover Ratio	7.94	6.12	The Change in ratio compared to previous year is due to increase in sales and decrease in Trade receivables.
Inventory Turnover Ratio	1.18	1.02	-
Interest Coverage Ratio	-0.81	-1.43	The Change in ratio compared to previous year is due to increase in EBITDA.
Current Ratio	1.15	1.41	-
Debt Equity Ratio	0.52	0.39	The Change in ratio compared to previous year is due to increase in lease liabilities and decrease in Net Worth.
Operating Profit Margin	57.52%	57.99%	-
Net Profit Margin	-21.80%	-22.99%	-
Return on Net Worth	-3.20%	-4.02%	-

### **11. CAUTIONARY STATEMENT:**

Statements in the report on Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could, however, differ materially from those express or implied. Important factors that could make a difference to the Company's operation include global demand-supply conditions, finished goods prices, raw materials cost and availability, changes in Government regulations and tax structure, economic development within India and the countries with which the Company has business contacts and other factors such as litigation and industrial relations in India, trade agreements, especially with the EU and the US.

The Company assumes no responsibility in respect of forward looking statements herein, which may undergo changes in future on the basis of subsequent developments, Information or events.

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

**S. Y. NOORANI**  
Vice Chairman & Managing Director  
DIN: 00068423

**AWAIS J. NOORANI**  
Place: Mumbai  
Date: 28<sup>th</sup> May, 2025  
Executive Director- Exports  
DIN: 00951424

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## WHY ZODIAC MAKES THE BEST SHIRTS

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FOR THE DISCERNING FEW,  
WHO DEMAND ONLY THE BEST.

**Only The Finest Fabrics**

We offer shirts in the finest, long staple,  
2-ply Mercerized cotton and "Silk Touch" Egyptian Giza cotton.  
Our pure linen shirts are crafted from European flax.

**Signature Trinity Buttons**

Our premium range of shirts come with  
our trademark genuine Mother-Of-Pearl,  
3-hole "Trinity" buttons.

**Almost Invisible Stitching**

An unmatched 21 stitches per inch for an almost  
invisible stitch line and maximum strength.  
Our buttonholes get 120 stitches per inch - almost  
double the industry standard.

**Range Of Collars & Cuffs**

We offer Kent, Cutaway, Contrast,  
Button Down and the stylish Mandarin or Band collar in  
single and double cuffs detailed with the finest German interlinings.  
All our single cuff shirts come with 2 buttonholes to enable the use of cufflinks.

**Superior Fit**

Our shirts have a deeper back yoke for a more comfortable drape.  
We offer 3 fits to suit diverse body types – Classic, Tailored and Slim.

**Z O D I A C**  
FINEST QUALITY CLOTHING

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**INDEPENDENT AUDITORS' REPORT**  
**TO THE MEMBERS OF ZODIAC CLOTHING COMPANY LIMITED**

**Report on the audit of the Standalone financial statements**

**Opinion**

We have audited the accompanying Standalone Financial Statements of Zodiac Clothing Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss, including Other Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

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

**Basis for Opinion**

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the '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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

**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 for the year ended March 31, 2025. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

<b>Sr. No.</b>	<b>Key audit matter</b>	<b>How the key audit matter was addressed in our audit</b>
1.	<p><b>Recoverability of deferred tax assets</b> (Refer Note 37 to the Standalone Financial Statements))</p> <p>The carrying value of deferred tax assets is 1,029.45 Lakhs as at March 31, 2025. Deferred tax assets are recognised on unabsorbed depreciation and other deductible temporary differences as it is considered to be recoverable based on the Company's projected future taxable income, in line with Ind AS 12-Income Taxes.</p> <p>We considered this as a Key Audit Matter due to uncertainties and significant judgement required by the Management in preparation of projected future taxable income considering the underlying assumptions such as fair value of immovable properties, as also assessed by an external registered valuer.</p>	<p>Our audit procedures with respect to this matter included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding, evaluated design and operating effectiveness of the relevant key controls over recording and review of deferred tax at each reporting date.</li> <li>• Reviewed the Company's accounting policy in respect of recognizing deferred tax asset on temporary differences, unabsorbed business loss and unabsorbed depreciation.</li> <li>• Evaluated the judgements and assumptions made by the Management in determining the projected future taxable income for reasonableness.</li> <li>• We tested the computation of the amounts recognized as deferred tax assets and assessed the appropriateness of tax rate applied to the projected future taxable income.</li> <li>• Evaluated the competence, capabilities and objectivity of the external registered valuer engaged by the Management.</li> <li>• We engaged our valuation experts to assess the appropriateness of the valuation methodology, evaluate the key underlying assumptions, and verify the accuracy of the input data (such as description, area) used in the valuation report of the immovable properties.</li> <li>• We involved our tax experts to review the utilization of available tax benefits against projected future taxable income in line with applicable tax laws, and the resulting recognition of deferred tax assets.</li> <li>• Reviewed the adequacy of disclosures made in the Standalone Financial Statements with regards to deferred taxes.</li> </ul>

Sr. No.	Key audit matter	How the key audit matter was addressed in our audit
2.	<p><b>Assessment of carrying value of property, plant and equipment</b></p> <p>(Refer to Notes 4(a) in the Standalone Financial Statements)</p> <p>The carrying value of Assets is 7,938.47 Lakhs as at March 31, 2025, which is significant to the balance sheet. The Management has assessed whether there are any indications for impairment of assets considering internal and external sources of information, as per Ind AS 36 Impairment of Assets. For the purposes of impairment testing, the carrying value of the cash generating unit (CGU) was compared to the recoverable amount of CGU. The Company has applied fair value less costs of disposal method in determining the recoverable value of CGU. In this connection, the Management has engaged an external registered valuer to determine the fair value of immovable properties and, the fair value of other assets were determined on the basis of management's judgement and estimates. Based on the assessment, the Management has concluded that no impairment was required as of March 31, 2025. Considering significant carrying value of Assets, involvement of valuation expert, judgment and estimates made by Management, we have considered this as a Key Audit Matter.</p>	<p>We have performed audit procedures including the following:</p> <ul style="list-style-type: none"> <li>Obtained an understanding, evaluated design and operating effectiveness of the relevant key controls relating to impairment assessment including determining recoverable value of Assets.</li> <li>Assessed whether the Company's identification of CGU is appropriate.</li> <li>Perused the report issued by the external professional valuer engaged by the management.</li> <li>Evaluated the competence, capabilities and objectivity of the external registered valuer engaged by the Management for valuation of immovable properties.</li> <li>We engaged our valuation experts to assess the appropriateness of the valuation methodology, evaluate the key underlying assumptions, and verify the accuracy of the input data (such as description, area) used in the valuation report of the immovable properties.</li> <li>Evaluated the reasonableness of assumptions applied by management, in determining the fair value of other assets.</li> <li>Performed sensitivity analysis over the key assumptions, to assess the potential impact on impairment results and the range of possible outcomes of recoverable value of Assets.</li> <li>Reviewed the adequacy of disclosures made in the Standalone Financial Statements.</li> </ul>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Director's Report including Annexure to Board's Report but does not include the Standalone Financial Statements and our auditor's report thereon.

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

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

#### **Responsibilities of Board of Directors for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair

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

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

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

## **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that back-up of the books of account and other books and papers maintained in electronic mode has neither been taken on a daily basis as explained in Note 48 to the Standalone Financial Statements and also for the matters stated in the paragraph 2 (h)(vi) below on reporting under Rule 11(g).
  - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive loss, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2 (b) above on reporting under Section 143(3)(b) and paragraph 2 (h)(vi) below on reporting under Rule 11(g).

(g) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

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

- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 39 to the Standalone Financial Statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv.
1. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed 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, 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.
  2. The Management has represented, that, to the best of its knowledge and belief, 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, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

3. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations

provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

- v. The Company has neither declared nor paid any dividend during the year.
- vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, as explained in Note 48 to the Standalone Financial Statements.

Further, where enabled, audit trail feature has been operated for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in previous year.

Based on our examination which included test checks, the Company has used revenue accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except that no audit trail feature was enabled at the database level in respect of an accounting software to log any direct data changes as explained in Note 48 to the Standalone Financial Statements.

Further, where enabled, audit trail feature has been operated for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the previous year.

- 3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 read with Schedule V of the Act and the rules thereunder.

**For M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Ankush Agrawal**  
Partner  
Membership No. 159694  
UDIN: 25159694BMLWGX5991

Place: Mumbai  
Date: May 28, 2025

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ZODIAC CLOTHING COMPANY LIMITED**

**Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management and Board of Director'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

for the year ended March 31, 2025 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.

**For M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Ankush Agrawal**  
Partner  
Membership No.159694  
UDIN: 25159694BMLWGX5991

Place: Mumbai  
Date: May 28, 2025

**ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ZODIAC CLOTHING COMPANY LIMITED FOR THE YEAR ENDED MARCH 31, 2025**

**[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]**

- i. (a)
- A. The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and relevant details of right-of-use assets.
- B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) Property, plant and equipment and right of use assets were physically verified by the management according to a phased programme designed to cover all items over a period of three years which, in our opinion, is reasonable having regard to the size of the

Company and the nature of its assets. Pursuant to the programme, a portion of property, plant and equipment and right of use assets have been physically verified by Management during the year. No material discrepancies were noticed on such verification.

- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company, except for the following:

Description of property	Gross carrying value (₹ in lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company
Leasehold land (pertaining to factory at Umbergaon	1.69	Merino Knitting Industries	None	Since August 2003	Acquired pursuant to scheme of amalgamation. As informed by management, it has initiated the process of getting the name transferred in Company's name.

- (d) According to the information and explanations given to us, the Company has not revalued its property, plant and equipment including right of use assets and intangible assets during the year. Accordingly, the provisions stated under clause 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i) (e) of the Order are not applicable to the Company.
- ii.
- (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency, coverage and procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
- (b) During the year the Company has been sanctioned working capital limits in excess of Rs.5 crores in aggregate from Banks on the basis of security of current assets. Based on the records examined by us in the normal course of audit of the Standalone Financial Statements, quarterly returns / statements filed with such Banks are in agreement with the books of account of the Company.
- iii.
- (a) According to the information and explanation provided to us, the Company has not provided guarantees or security or granted any loans or advances in nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. However, during the year, the Company has granted interest free loans to six employees amounting to Rs. 25.83 lakhs. The Company has not made investment in firms, limited liability partnership or any other parties during the year.
- (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to grant of loans made to employees during the year, *prima facie*, are not prejudicial to the interest of the Company.

- (c) In case of the loans granted to employees, schedule of repayment of principal have been stipulated and the borrowers have been regular in the repayment of the principal.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no amounts overdue for more than ninety days in respect of the loans granted to Other Parties.
- (e) According to the information explanation provided to us, the loans or advances in the nature of loan granted has not fallen due during the year. Accordingly, the provisions stated under clause 3(iii)(e) of the Order are not applicable to the Company.
- (f) According to the information explanation provided to us, the Company has granted loans during the year. These have stipulated the schedule for repayment of principal. Hence, the requirements under paragraph 3(iii)(f) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Act. In respect of the investments made by the Company, the provision of Section 186 of the Act have been complied with.
- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning

of the provisions of Sections 73 to 76 of the Act and the rules framed there under. Accordingly, the requirement to report under clause 3(iv) of the Order is not applicable to the Company.

- vi. We have broadly reviewed the books of account maintained by the Company pursuant Rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act and we are of the opinion that *prima facie* the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii.
  - (a) According to the information and explanations given to us and the records examined by us, in our opinion, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, profession tax, income-tax, duty of customs, cess, and other statutory dues have been regularly deposited by the Company with appropriate authorities during the year, though there has been a slight delay in a few cases. No undisputed amounts payable in respect of these statutory dues were outstanding as at March 31, 2025, for a period of more than six months from the date they became payable.
  - (b) According to the information and explanation given to us and examination of records of the Company, details of statutory dues referred to in sub-clause (a) above, on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded (₹ In Lakhs)	Amount Paid (₹ In Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income tax Act, 1961	Income Tax	13.57	8.66	1997-98	High Court of Bombay
Income tax Act, 1961	Income Tax	67.17	66.43	1999-2000	Deputy commissioner of Income Tax
Income tax Act, 1961	Income Tax	1,536.96	1,230.19	2009-10, 2010-11, 2013-14 and 2014-15	Commissioner of Income Tax (Appeals)

- viii. According to the information and explanations given to us, there are no transaction which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report as stated under clause 3(vii) of the Order is not applicable to the Company.
- ix.
  - (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
  - (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
  - (c) In our opinion and according to the information and explanations provided to us, no money was raised by way of term loans. Accordingly, the provision stated under clause 3(ix)(c) of the Order is not applicable to the Company.
  - (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the Standalone Financial Statements of the

- Company, we report that no funds raised on short term basis have been used for longterm purposes by the Company.
- (e) According to the information explanation given to us and on an overall examination of the Standalone Financial Statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary companies. Accordingly, the requirement to report under Clause 3(ix) (f) of the order is not applicable to the Company.
- x.
- (a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting requirement under clause 3(x) (a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Accordingly, the provisions stated under clause 3(x)(b) of the Order are not applicable to the Company.
- xi.
- (a) Based on our examination of the books and records of the Company and according to the information and explanations given to us, we report that no fraud by the Company or no material fraud on the Company has been noticed or reported during the year in the course of our audit.
- (b) During the year no report under Section 143(12) of the Act, has been filed by in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated under clause 3(xi)(a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- xiv.
- (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.
- xv. According to the information and explanations given to us, and based on our examination of the records of the Company, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi.
- (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the requirements to report under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report under clause 3 (xvi)(c) of the Order is not applicable to the Company.
- (d) The Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group. Accordingly, the requirement to report under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. Based on the overall review of Standalone Financial Statements, the Company has incurred cash losses in the current financial year and in the immediately preceding financial year as below:
- | Particulars              | March 31, 2025<br>(Current year) | March 31, 2024<br>(Previous Year) |
|--------------------------|----------------------------------|-----------------------------------|
| Cash losses (In ₹ Lakhs) | 1,922.34                         | 1,547.17                          |
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 48 to the Standalone Financial Statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any

assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. According to the information and explanations given to us and based on our verification, since the Company has not made average net profits during the three immediately preceding financial years, the Company is not required to

spend the amount as prescribed under section 135(5) of the Companies Act, 2013 (or mention 'the Act' if already defined). Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said Clause has been included in the report.

**For M S K A & Associates**  
**Chartered Accountants**  
ICAI Firm Registration No. 105047W

**Ankush Agrawal**  
Partner  
Membership No.159694  
UDIN: 25159694BMLWGX5991

Place: Mumbai  
Date: May 28, 2025

## **ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF ZODIAC CLOTHING COMPANY LIMITED**

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Zodiac Clothing Company Limited on the Financial Statements for the year ended March 31, 2025]

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

We have audited the internal financial controls with reference to Standalone Financial Statements of Zodiac Clothing Company Limited ("the Company") as of March 31, 2025, in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2025, based on the internal control with reference to Standalone Financial Statements 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

#### **Management's and Board of Director's Responsibility for Internal Financial Controls**

The Company's Management and the Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to

Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 with reference to Standalone Financial Statements.

#### **Meaning of Internal Financial Controls With reference to Standalone Financial Statements**

A Company's internal financial control with reference to Standalone Financial Statements 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 with reference to Standalone Financial Statements 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 With reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, 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 with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For M S K A & Associates  
Chartered Accountants**  
ICAI Firm Registration No. 105047W

**Ankush Agrawal**  
Partner  
Membership No.159694  
UDIN: 25159694BMLWGX5991

Place: Mumbai  
Date: May 28, 2025

**ZODIAC CLOTHING COMPANY LIMITED**  
**Standalone Balance Sheet as at March 31, 2025**  
(All amounts are in ₹ Lakhs, unless otherwise stated)

	Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
<b>I ASSETS</b>				
<b>1 Non-current assets</b>				
Property, plant and equipment	4(a)	7,938.47	8,417.92	
Capital work-in-progress	4(b)	122.90	1.26	
Investment properties	5	1,044.23	1,068.48	
Right-of-use assets	4(c)	4,441.44	4,191.99	
Other intangible assets	6	96.69	113.81	
Financial assets				
- Investments in subsidiary	7	65.91	65.91	
- Investments	8	3,609.28	4,287.94	
- Loans	9	12.65	10.09	
- Others financial assets	10	927.85	949.88	
Deferred tax assets (net)	37	1,029.45	1,564.88	
Non-current tax assets (net)	37	1,047.73	1,074.90	
Other non-current assets	11	27.62	52.95	
<b>Total Non - Current assets</b>		<b>20,364.22</b>	<b>21,800.01</b>	
<b>2 Current assets</b>				
Inventories	12	6,532.64	5,946.41	
Financial assets				
- Investments	13	221.15	2,068.18	
- Trade receivables	14	2,106.74	2,248.98	
- Cash and cash equivalents	15	102.33	89.10	
- Bank balances other than cash and cash equivalents	16	1.11	1.87	
- Loans	17	9.48	5.36	
- Other financial assets	18	348.20	319.24	
Other current assets	19	2,809.34	2,882.39	
<b>Total Current assets</b>		<b>12,130.99</b>	<b>13,561.53</b>	
<b>3 Assets classified as held for sale</b>	20	-	122.90	
<b>TOTAL ASSETS</b>		<b>32,495.21</b>	<b>35,484.44</b>	
<b>II EQUITY AND LIABILITIES</b>				
<b>1 Equity</b>				
Equity share capital	21	2,599.37	2,599.37	
Other equity	22	15,366.02	19,730.26	
<b>Total Equity</b>		<b>17,965.39</b>	<b>22,329.63</b>	
<b>2 Liabilities</b>				
<b>Non-current liabilities</b>				
Financial liabilities				
- Borrowings	23	-	-	
- Lease liabilities	4(c)	3,873.01	3,466.43	
- Other financial liabilities	26	65.97	62.60	
Other non-current liabilities	27	12.62	15.82	
<b>Total Non-current liabilities</b>		<b>3,951.60</b>	<b>3,544.85</b>	
<b>Current liabilities</b>				
Financial liabilities				
- Borrowings	24	4,621.37	4,044.14	
- Lease liabilities	4(c)	931.62	1,092.91	
- Trade payables	25			
- total outstanding dues of micro enterprises and small enterprises		14.54	7.37	
- total outstanding dues of creditors other than micro enterprises and small enterprises		3,926.92	3,457.55	
- Other financial liabilities	26	238.98	216.23	
Other current liabilities	27	53.88	74.94	
Provisions	28	790.91	716.82	
<b>Total Current liabilities</b>		<b>10,578.22</b>	<b>9,609.96</b>	
<b>Total Liabilities</b>		<b>14,529.82</b>	<b>13,154.81</b>	
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>32,495.21</b>	<b>35,484.44</b>	
<b>SUMMARY OF MATERIAL ACCOUNTING POLICES</b>	2			

**The accompanying notes (1 - 51) are an integral part of these Standalone Financial Statements.**

As per our report of even date

**For M S K A & Associates  
Chartered Accountants  
Firm Registration Number: 105047W**

**Ankush Agrawal**  
Partner  
Membership No. 159694

Mumbai  
Date: May 28, 2025

**For and on behalf of Board of Directors of  
Zodiac Clothing Company Limited  
CIN: L17100MH1984PLC033143**

**S. Y. NOORANI**  
Vice Chairman and  
Managing Director  
DIN: 00068423

**B. MAHABALA**  
Chief Financial Officer  
Mumbai  
Date: May 28, 2025

**AWAIS J. NOORANI**  
Executive Director - Exports  
DIN: 00951424

**KUMAR IYER**  
Company Secretary  
Membership No. ACS9600

**ZODIAC CLOTHING COMPANY LIMITED**  
**Standalone Statement of Profit and Loss for the year ended March 31, 2025**  
(All amounts are in ₹ Lakhs, unless otherwise stated)

	Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
<b>I</b>	<b>INCOME</b>			
	Revenue from operations	29	17,291.47	14,412.19
	Other income	30	1,199.78	755.11
	<b>Total Income</b>		<b>18,491.25</b>	<b>15,167.30</b>
<b>II</b>	<b>EXPENSES</b>			
	Cost of materials consumed	31	7,077.08	6,057.29
	Purchases of stock-in-trade		697.82	199.87
	Changes in inventories of finished goods, stock-in-trade and work-in progress	32	(428.70)	(202.91)
	Employee benefit expenses	33	4,540.93	4,182.04
	Finance costs	34	793.81	674.66
	Depreciation and amortisation expense	35	2,012.27	1,874.00
	Other expenses	36	7,248.47	5,893.27
	<b>Total Expenses</b>		<b>21,941.68</b>	<b>18,678.22</b>
<b>III</b>	<b>Loss before tax</b>		<b>(3,450.43)</b>	<b>(3,510.92)</b>
<b>IV</b>	<b>Income tax expenses</b>			
	Current tax		-	-
	Deferred tax charge / (credit)	37	580.66	(24.73)
	Tax in respect of earlier years	37	-	0.39
	<b>Total Income Tax Expenses / (Credit)</b>		<b>580.66</b>	<b>(24.34)</b>
<b>V</b>	<b>Loss for the year</b>		<b>(4,031.09)</b>	<b>(3,486.58)</b>
<b>VI</b>	<b>Other comprehensive (loss) / income</b>			
	<b>(i) Items that will not be reclassified subsequently to profit or loss</b>			
	- Remeasurements of net defined benefit plans	41	47.36	(24.39)
	- Change in fair value of Equity Instruments through other comprehensive income		(431.65)	266.59
	- Income tax relating to above items		46.87	(22.68)
	<b>(ii) Items that will be reclassified subsequently to profit or loss</b>			
	- Net gains on cash flow hedges	45	5.91	7.37
	- Income tax relating to above item		(1.64)	(2.05)
	<b>Other comprehensive (loss) / income for the year, net of tax</b>		<b>(333.15)</b>	<b>224.84</b>
<b>VII</b>	<b>Total comprehensive loss for the year</b>		<b>(4,364.24)</b>	<b>(3,261.74)</b>
<b>VIII</b>	<b>Loss per equity share of ₹10 each (INR)</b>	40		
	Basic (₹)		(15.51)	(13.41)
	Diluted (₹)		(15.51)	(13.41)
<b>IX</b>	<b>Summary Of Material Accounting Policies</b>	2		

**The accompanying notes (1 - 51) are an integral part of these standalone financial statements**

As per our report of even date

**For M S K A & Associates  
Chartered Accountants**  
Firm Registration Number: 105047W

**For and on behalf of Board of Directors of  
Zodiac Clothing Company Limited**  
CIN: L17100MH1984PLC033143

**S. Y. NOORANI**  
Vice Chairman and  
Managing Director  
DIN: 00068423

**AWAIS J. NOORANI**  
Executive Director - Exports  
DIN: 00951424

**Ankush Agrawal**  
Partner  
Membership No. 159694  
Mumbai  
Date: May 28, 2025

**B. MAHABALA**  
Chief Financial Officer  
Mumbai  
Date: May 28, 2025

**KUMAR IYER**  
Company Secretary  
Membership No. ACS9600

**ZODIAC CLOTHING COMPANY LIMITED**  
**Standalone Statement of Cash Flows for the year ended March 31, 2025**  
(All amounts are in ₹ Lakhs, unless otherwise stated)

	Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>			
Loss before tax		(3,450.43)	(3,510.92)
Adjustments for:			
Depreciation and amortisation expense		2,012.27	1,874.00
Finance costs		793.81	674.66
Net unrealised exchange gain on foreign currency translation / transaction		(70.63)	(31.55)
Dividend Income		(6.30)	(22.89)
Investment impairment allowance written back		(67.73)	-
Rent income		(387.87)	(351.11)
Unwinding of discount on security deposits		(45.21)	(47.24)
Interest income		(53.69)	(13.12)
Net loss on fair value / sale of financial assets measured at fair value through profit or loss		(224.99)	(289.99)
Bad debts, loans, advances, deposits etc. written off		119.95	110.46
Gain on termination / remeasurement / modification of lease contracts		(65.84)	-
Net loss on sale/discard of property, plant and equipment		75.76	52.68
<b>Operating loss before working capital changes</b>		<b>(1,370.90)</b>	<b>(1,555.02)</b>
Adjustments for:			
(Increase) / Decrease in trade and other receivables		240.14	(246.23)
Increase in inventories		(586.23)	(44.69)
Increase in trade payables and other liabilities		485.08	1,188.32
Increase / (Decrease) in provisions		26.30	(2.24)
Cash used in operating activities		(1,205.61)	(659.86)
Add: Direct taxes refund received		53.26	88.31
<b>Net cash flows used in operating activities (A)</b>		<b>(1,152.35)</b>	<b>(571.55)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of property, plant and equipment and movement in capital advances and capital work-in-progress		(294.40)	(871.97)
Purchase of current investments		(1,365.53)	(204.25)
Investment in term deposits (net)		(1.76)	(3.41)
Sale proceeds of property, plant and equipment		5.22	-
Interest received		21.32	3.28
Rent received		387.87	351.11
Sale proceeds of non-current investments		487.57	1,308.42
Sale proceeds of current investments		3,265.06	1,495.08
Dividend received		6.30	22.89
<b>Net cash generated from investing activities (B)</b>		<b>2,511.65</b>	<b>2,101.15</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Proceeds from current borrowings		396.01	582.26
Proceeds towards loan from directors		440.00	39.00
Repayment of non-current borrowings		(258.78)	(277.33)
Payment of principal portion of lease liabilities		(1,145.63)	(1,171.90)
Interest paid on lease liabilities		(425.28)	(351.09)
Interest paid on others		(352.39)	(319.10)
<b>Net cash used in financing activities (C)</b>		<b>(1,346.07)</b>	<b>(1,498.16)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>		<b>13.23</b>	<b>31.44</b>
Add : Cash and cash equivalents at beginning of the year		89.10	57.66
<b>Cash and cash equivalents at end of the year (Refer note 15)</b>		<b>102.33</b>	<b>89.10</b>

**ZODIAC CLOTHING COMPANY LIMITED**  
**Standalone Statement of Cash Flows for the year ended March 31, 2025**  
(All amounts are in ₹ Lakhs, unless otherwise stated)

Net debt reconciliation			Year Ended March 31, 2025	Year Ended March 31, 2024
Cash and cash equivalents			102.33	89.10
Current Borrowings (including interest accrued but excluding current maturities of long term debt)			(4,639.52)	(3,791.46)
Non Current Borrowings (including interest accrued and current maturities of long term debt)			-	(258.78)
Lease liabilities			(4,804.63)	(4,559.34)
<b>Total</b>			<b>(9,341.82)</b>	<b>(8,520.48)</b>
Particulars	Cash and Cash equivalents	Lease Liabilities	Non current borrowings (Including interest accrued)	Current borrowings (Including interest accrued)
<b>Net Debt as at March 31, 2023</b>	<b>57.66</b>	<b>(2,718.38)</b>	<b>(536.97)</b>	<b>(3,167.37)</b>
Cash flows	31.44	1,171.90	277.33	(621.26)
Acquisitions - Leases	-	(3,012.86)	-	-
Termination - Leases	-	-	-	-
Interest expense	-	(351.09)	(36.34)	(280.04)
Interest paid	-	351.09	37.20	277.21
<b>Net Debt as at March 31, 2024</b>	<b>89.10</b>	<b>(4,559.34)</b>	<b>(258.78)</b>	<b>(3,791.46)</b>
Cash flows	13.23	1,145.63	258.78	(836.01)
Acquisitions - Leases	-	(1,864.68)	-	-
Termination - Leases	-	473.76	-	-
Interest expense	-	(425.28)	(11.63)	(334.99)
Interest paid	-	425.28	11.63	322.94
<b>Net Debt as at March 31, 2025</b>	<b>102.33</b>	<b>(4,804.63)</b>	<b>0.00</b>	<b>(4,639.52)</b>
				<b>(9,341.82)</b>

**Note:** The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

**The accompanying notes (1 - 51) are an integral part of these standalone financial statements**

As per our report of even date

**For M S K A & Associates**

Chartered Accountants

Firm Registration Number: 105047W

**Ankush Agrawal**

Partner

Membership No. 159694

Mumbai

Date: May 28, 2025

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

**Zodiac Clothing Company Limited**

CIN: L17100MH1984PLC033143

**S. Y. NOORANI**

Vice Chairman and  
Managing Director  
DIN: 00068423

**AWAIS J. NOORANI**

Executive Director - Exports  
DIN: 00951424

**B. MAHABALA**

Chief Financial Officer  
Mumbai  
Date: May 28, 2025

**KUMAR IYER**

Company Secretary  
Membership No. ACS9600

**STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025**  
 (All amounts are in ₹ Lakhs, unless otherwise stated)

**ZODIAC CLOTHING COMPANY LIMITED**

**A. Equity Share Capital**

Particulars	Notes	Amount
<b>As at March 31, 2023</b>		<b>2,599.37</b>
Changes in equity share capital	<b>21</b>	-
<b>As at March 31, 2024</b>		<b>2,599.37</b>
Changes in equity share capital	<b>21</b>	-
<b>As at March 31, 2025</b>		<b>2,599.37</b>

**B. Other Equity**

Particulars	Reserves and Surplus					Other Comprehensive Income (OCI)	Total
	Securities Premium	Amalgamation Reserve	State Cash Subsidy	Capital Redemption Reserve	General Reserves		
<b>Balance as at March 31, 2023</b>	<b>10,749.10</b>	<b>8.16</b>	<b>15.84</b>	<b>200.00</b>	<b>2,677.51</b>	<b>8,143.56</b>	<b>1,198.86</b>
Loss for the year	-	-	-	-	-	(3,486.58)	-
Re-measurements of defined benefit obligation	-	-	-	-	-	(24.39)	-
Changes in fair value of equity instruments through other Comprehensive Income (net of tax)	-	-	-	-	-	243.91	-
Changes in the fair value of hedging instrument (net of tax)	-	-	-	-	-	-	-
Reclassification to Statement of Profit and Loss (net of tax)	-	-	-	-	-	-	-
<b>Total Comprehensive Loss for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,510.97)</b>	<b>243.91</b>
<b>Balance as at March 31, 2024</b>	<b>10,749.10</b>	<b>8.16</b>	<b>15.84</b>	<b>200.00</b>	<b>2,677.51</b>	<b>4,632.59</b>	<b>1,442.77</b>
Loss for the year	-	-	-	-	-	(4,031.09)	-
Re-measurements of defined benefit obligation	-	-	-	-	-	47.36	-
Changes in fair value of equity instruments through other Comprehensive Income (net of tax)	-	-	-	-	-	(384.78)	-
Changes in the fair value of hedging instrument (net of tax)(Refer note 45)	-	-	-	-	-	-	-
Reclassification to Statement of Profit and Loss (net of tax)(Refer note 45)	-	-	-	-	-	-	-
<b>Total Comprehensive Loss for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,983.73)</b>	<b>(384.78)</b>
<b>Balance as at March 31, 2025</b>	<b>10,749.10</b>	<b>8.16</b>	<b>15.84</b>	<b>200.00</b>	<b>2,677.51</b>	<b>648.86</b>	<b>1,037.99</b>
							<b>8.56</b>

**The accompanying notes (1 - 51) are an integral part of these standalone financial statements**

As per our report of even date

**For M S KA & Associates**  
 Chartered Accountants  
 Firm Registration Number: 105047W

**ANKUSH AGRAWAL**  
 Partner  
 Membership No. 159694  
 Mumbai  
 Date: May 28, 2025

**For and on behalf of Board of Directors**  
**Zodiac Clothing Company Limited**  
 CIN: L17100MH1984PLC033143

**S. Y. NOORANI**  
 Vice Chairman and  
 Managing Director  
 DIN: 00068423

**AWAIS J. NOORANI**  
 Executive Director - Exports  
 DIN: 00951424

**KUMAR IYER**  
 Company Secretary  
 Membership No. ACS9600  
 Date: May 28, 2025



# Principe

ZODIAC'S MADE TO ORDER PROGRAM

Heritage, Tradition & Time-Honored Styles Come Together In A  
Curated Collection Of Bandhgalas & Suits Made From Luxurious Fabrics Across  
Velvets, Dobbies, Embroidered Fabrics And Ultra-fine 160's Pure Wool.  
All With The Fine Craftsmanship Of India's Iconic Men's Wear Brand.

[www.zodiaconline.com](http://www.zodiaconline.com)

**1 Background and Operations**

Zodiac Clothing Company Limited ('the Company') incorporated in India having registered office at Mumbai and manufacturing facilities at Bengaluru, Umbergaon and Mumbai. The Company deals in clothing and clothing accessories.

**2 Basis of preparation and material accounting policies**

**(a) Material accounting policies of Standalone Financial Statements**

**(i) Compliance with Ind AS**

The standalone financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') notified under section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015 (as amended)], and other relevant provisions of the Act.

**(ii) Going Concern Assessment**

The Directors of the Company have assessed its liquidity position. The Board of Directors are confident of the Company's ability to meet its obligation atleast for the next twelve months from the balance sheet date. Accordingly, these standalone financial statements have been prepared on going concern basis.

**(iii) Historical cost convention**

The standalone financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities (including derivative instruments) that are measured at fair value;
- 2) defined benefit plans - plan assets measured at fair value;

**(iv) Current and non-current classification**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

**(v) Rounding off amounts**

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest lakhs, unless otherwise stated.

**(b) Use of estimates and judgments**

The estimates and judgments used in the preparation of the standalone financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialised. The said estimates are

based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

**(c) Property, plant and equipment**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

**Depreciation methods, estimated useful lives and residual value**

The Company depreciates its property, plant and equipment on a straight line method net of residual values over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in Schedule II of the Act, except for the following class of assets, useful life for which is based on a technical evaluation and taking into consideration nature of Company's business and past experience of usage of such assets:

Description of assets	Useful life followed by the Company	Useful life as prescribed under Schedule II
Buildings	31 Years	30 / 60 Years
Plant and equipment	21 Years *	15 Years *
Furniture and fixtures	16 Years	10 Years
Office equipments	21 Years	5 Years
Computer (including servers)	6 Years	3 - 6 Years
Electrical Installation	21 Years	10 Years

\* Based on single shift

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term. Period of lease is either the primary lease period or where the Company as a lessee has the right of renewal of lease, and it is intended to renew for further periods, then such extended period.

The residual values are generally not more than 5% of the original cost of the asset.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

**(d) Investment properties**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is initially recognized at cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties, net of residual value are depreciated using the straight-line method over their useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in Schedule II of the Act.

**(e) Intangible assets**

**Computer software**

Computer software are stated at cost, less accumulated amortisation and impairments, if any.

**Amortisation method**

The Company amortizes intangible assets using the straight-line method over following period:

<b>Nature of intangible asset</b>	<b>Useful life</b>
- Computer Software	6 Years

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

**(f) Lease**

**As lessee**

The Company's lease asset classes primarily consist of leases for Land and Buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight line basis over the term of the lease. Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

The lease liability is initially measured at the present value of the future lease payments and payments to be made under reasonably certain extension option are also included in measurement of liability. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term. The amount on remeasurement of lease liability is adjusted to the right of use asset and any remaining amount is recognised in statement of profit and loss.

**Variable Lease Payments**

Certain property leases contain variable payment terms that are linked to sales generated from a store. For individual stores, up to 100% of lease payments are on the basis of variable payment terms with percentages ranging from 10% to 30% of sales. Variable payment terms are used for a variety of reasons, including minimising the fixed costs base for newly established stores, etc.. Variable lease payments that depend on sales are recognised in statement of profit or loss in the period in which the condition that triggers those payments occurs.

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

**As lessor**

Lease income from operating leases where the Company is a lessor is recognised as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

**(g) Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, Bank overdrafts, deposits and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(h) Inventories**

Inventories of Raw Materials, Work-in-Progress, Stock-in-trade, Stores and spares and Finished Goods

are stated 'at cost or net realisable value, whichever is lower'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formula used is 'First-in-First-Out', 'Weighted Average cost' or 'Specific Identification', as applicable.

Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be utilised are expected to be sold at or above cost.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated cost necessary to make the sale.

Slow-moving, non-moving and defective inventories are identified and wherever necessary, provision is made for such inventories considering various factors such as likely usage, obsolescence etc.

**(i) Investment in subsidiary**

Investment in subsidiary is recognised at cost (less, impairment, if any), as per Ind AS - 27 'Separate Financial Statements'.

**(j) Investments and other financial assets**

**(i) Classification**

The Company classifies its financial assets in the following measurement categories:

- \* those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- \* those measured at amortised cost.

The classification depends on the company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

**(ii) Recognition**

Purchases and sales of financial assets are recognised on trade - date, being the date on which the Company commits to purchase or sale the financial asset.

**(iii) Measurement**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through the Statement of

Profit and Loss are expensed in the Statement of Profit and Loss.

**Debt instruments:**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

**\* Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.

**\* Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment losses, interest revenue which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the Statement of Profit and Loss and recognised in other income/expense. Interest income from these financial assets is included in other income using the effective interest rate method.

**\* Fair value through profit and loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through Statement of Profit and Loss. Interest income from these financial assets is included in other income.

**Equity instruments:**

The Company subsequently measures all equity investments at fair value. Where the Company has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised as other income in the Statement of profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**(iv) Impairment of financial assets**

In accordance with Ind-AS 109, the Company

applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Financial assets that are measured at amortised cost e.g., loans, deposits and bank balance.

(b) Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

**(v) Derecognition**

A financial asset is derecognised only when

- the Company has transferred the rights to receive the cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

**(vi) Income recognition**

**Interest income**

Interest income from debt instruments is recognised using the effective interest rate method.

**Dividends**

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established.

**(k) Borrowings**

Borrowings are initially recognised at net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

**(l) Provisions, contingent liabilities and contingent assets**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense in Statement of Profit and loss.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events.

Contingent assets disclosed in respect of possible asset that may arise from past event and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events.

**(m) Revenue recognition**

**Sale of goods - Wholesale**

Sales are recognised when the control of the goods has been transferred to customer which is generally on delivery of goods and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Delivery occurs when the products have been shipped to the specific location, risk of obsolescence and loss have been transfer to customer and the Company has objective evidence that all criteria for the acceptance have been satisfied.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

**Sale of goods - Retail**

The Company operates a chain of retail stores. Revenue from the sale of goods is recognised when the Company sells a product to the customer. Payment of transaction price is generally due immediately when the customer purchases the goods and takes delivery in store.

**Service income**

Sale of services - Revenue is recognised based on actual service provided at the end of the reporting period as proportion of total service to be provided.

**Other operating revenue - Export incentives**

Export incentives under various schemes of Government of India are accounted on accrual basis on the basis of exports made and when there is reasonable assurance that the Company will comply with the conditions and incentive will be received.

**(n) Employee benefits**

**(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the

period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

**(ii) Post-employment obligations**

**Defined Benefits Plan**

**Gratuity obligations**

The liability or asset recognised in the balance sheet in respect of defined gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The net interest cost is calculated by actuary applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments as calculated by actuary are recognised immediately in the Statement of Profit and Loss as past service cost.

**Defined Contribution Plans**

The Company pays Provident Fund (PF) contributions, Employees State Insurance Scheme (ESIC) etc., to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefits expense when they are due.

**(iii) Other long-term employee benefit obligations**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. An actuarial valuation is obtained at the end of reporting period. The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

The obligations are presented as current liabilities in the balance sheet, if the Company does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**(o) Foreign currency transactions**

**(i) Functional and presentation currency**

The standalone financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

**(ii) Transactions and balances**

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

**(p) Derivative and hedging activities**

Derivatives are only used for economic hedging purposes and not as speculative investments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The Company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of firm commitment transactions (sales orders/purchase orders) (cash flow hedges).

The Company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Company documents its risk management objectives and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than or equal to 12 months.

**Cash flow hedges that qualify for hedge accounting –**

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge.

When forward contracts are used to hedge forecast transactions, the Company designates them in entirety as the hedging instrument. Gains or losses relating to effective portion of fair value of forward contracts are recognised in the other comprehensive income in the cash flow hedging reserve within other equity.

When the option contracts are used to hedge forecast transactions, the Company designates only the intrinsic value of the option contract as the hedging instrument.

Amounts accumulated in equity are reclassified to statement of profit and loss in the periods when the hedged item affects profit or loss i.e. when the underlying sales or purchase transaction occurs.

The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss.

**Derivative Contracts other than cash flow hedges:**

Derivative contracts which are not designated as cash flow hedges, are accounted for at fair value through profit or loss and are included in Statement of Profit and Loss.

**(q) Income tax**

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the standalone financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets are realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current

tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the company has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

**(r) Earnings Per Share**

**Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

**Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

The calculation of diluted earnings per share does not assume conversion, exercise, or other issue of potential ordinary shares that would have an antidilutive effect on earnings per share.

**(s) Segment Reporting:**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM, being the Managing Director assesses the financial performance and position of the Company and makes strategic decisions.

**(t) Impairment of non-financial assets:**

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other

assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**(u) Government Grants**

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.

**(v) Non-current assets held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

Non-current assets are not depreciated or amortised while they are classified as held for sale.

Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

**(w) Recent Accounting Pronouncements:**

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2024 to amend the following Ind-AS which are effective for annual periods beginning on or after 1st April 2024. The Company has applied these amendments for the first time in the Standalone Financial Statements.

**i) Ind AS 116, Leases**

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amended Ind AS 116, Leases, with respect to lease liability in a sale and leaseback transaction.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after 1st April 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

The application of Ind AS 116 had no impact on the Company's Standalone Financial Statements as the Company has not entered any contracts in the nature of sale and leaseback covered under Ind AS 116.

**ii) Ind AS 117, Insurance Contracts**

The Ministry of Corporate Affairs ("MCA") notified the Ind AS 117, Insurance Contracts, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after 1st April 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply.

The application of Ind AS 117 had no impact on the Company's Standalone Financial Statements as the Company has not entered any contracts in the nature of insurance contracts covered under Ind AS 117.

**iii) New standards and amendments issued but not effective**

There are no such standards which are notified but not yet effective.

**iv) The other amendments to Ind-AS notified by these rules are primarily in the nature of clarifications.**

**3 Critical estimates and judgements**

The preparation of standalone financial statements requires the use of accounting estimates which by definition will seldom equal the actual results.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the standalone financial statements.

The areas involving critical estimates or judgement are:

- Estimation of Defined benefit obligation (Refer Note 41).
- Recoverability of deferred tax assets (Refer Note 37).
- Allowance for doubtful debts (Refer Note 14 and 45).
- Fair value of Investment properties (Refer Note 5)
- Direct tax litigations (Refer Note 39)
- Determination of lease term (Refer Note 4(c))
- Impairment of non-financial assets (Refer Note 2(u))
- Provision for Inventory Obsolescence (Refer Note 2(h) and 12)

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**4(a) Property, Plant and Equipment**

	Freehold Land	Buildings	Leasehold Improvement	Plant & Machinery	Furniture & fixtures	Vehicles	Office equipment	Computers	Electrical Installation	Total
<b>Gross Carrying Amount</b>										
<b>Balance as at March 31, 2023</b>	<b>362.47</b>	<b>2,853.51</b>	<b>2,023.12</b>	<b>3,458.18</b>	<b>2,526.63</b>	<b>46.88</b>	<b>649.82</b>	<b>144.38</b>	<b>847.34</b>	<b>12,912.33</b>
Additions	-	766.06	108.41	57.04	57.13	-	1.06	13.07	65.05	<b>1067.82</b>
Reclassified to Investment Property (Refer Note (iii))	-	410.23	-	-	-	-	-	-	-	<b>410.23</b>
Disposals	-	-	120.70	14.57	46.83	-	1.10	0.27	16.71	<b>200.18</b>
<b>Balance as at March 31, 2024</b>	<b>362.47</b>	<b>3,209.34</b>	<b>2,010.83</b>	<b>3,500.65</b>	<b>2,536.93</b>	<b>46.88</b>	<b>649.78</b>	<b>157.18</b>	<b>895.68</b>	<b>13,369.74</b>
Additions	-	86.08	96.89	12.02	17.75	-	0.65	11.61	55.94	<b>280.94</b>
Disposals	-	-	118.58	16.76	37.31	-	3.91	0.38	44.52	<b>221.46</b>
<b>Balance as at March 31, 2025</b>	<b>362.47</b>	<b>3,295.42</b>	<b>1,989.14</b>	<b>3,495.91</b>	<b>2,517.37</b>	<b>46.88</b>	<b>646.52</b>	<b>168.41</b>	<b>907.10</b>	<b>13,429.22</b>
<b>Accumulated depreciation</b>										
<b>Balance as at March 31, 2023</b>	<b>-</b>	<b>460.59</b>	<b>995.03</b>	<b>1,259.52</b>	<b>1,139.72</b>	<b>36.83</b>	<b>237.80</b>	<b>115.74</b>	<b>236.23</b>	<b>4,481.46</b>
Additions	-	62.48	108.94	191.99	210.49	-	35.99	9.49	48.49	<b>667.87</b>
Reclassified to Investment Property (Refer Note (iii))	-	50.01	-	-	-	-	-	-	-	<b>50.01</b>
Disposals	-	-	89.14	11.49	44.46	-	0.47	0.27	1.67	<b>147.50</b>
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>473.06</b>	<b>1,014.83</b>	<b>1,440.02</b>	<b>1,305.75</b>	<b>36.83</b>	<b>273.32</b>	<b>124.96</b>	<b>283.05</b>	<b>4,951.82</b>
Additions	-	80.55	106.71	194.57	200.39	1.24	35.76	9.98	50.21	<b>679.41</b>
Disposals	-	-	83.24	13.34	26.74	-	1.44	0.38	15.34	<b>140.48</b>
<b>Balance as at March 31, 2025</b>	<b>-</b>	<b>553.61</b>	<b>1,038.30</b>	<b>1,621.25</b>	<b>1,479.40</b>	<b>38.07</b>	<b>307.64</b>	<b>134.56</b>	<b>317.92</b>	<b>5,490.75</b>
<b>Carrying Amounts</b>										
<b>Balance as at March 31, 2024</b>	<b>362.47</b>	<b>2,736.28</b>	<b>996.00</b>	<b>2,060.63</b>	<b>1,231.18</b>	<b>10.05</b>	<b>376.46</b>	<b>32.22</b>	<b>612.63</b>	<b>8,417.92</b>
<b>Balance as at March 31, 2025</b>	<b>362.47</b>	<b>2,741.81</b>	<b>950.84</b>	<b>1,874.66</b>	<b>1,037.97</b>	<b>8.81</b>	<b>338.88</b>	<b>33.85</b>	<b>589.18</b>	<b>7,938.47</b>

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Italian inspired, perfectly balanced jackets that do not weigh heavy on the shoulders.

## CONFIDENT FIT

All our jackets are constructed with a half canvas front made from genuine horse hair which flatters the chest thereby ensuring an unmatched drape & an almost shirt like flexibility.

## HAND-STITCHED LUXURY

The lapels, half canvas lining & pockets are pick stitched while the armhole joints are hand-stitched making the suit more flexible.

## COROZO BUTTONS

Crafted from the nut of a tropical palm grown only in the Ecuadorian rainforest.

## BREATHABLE LINING

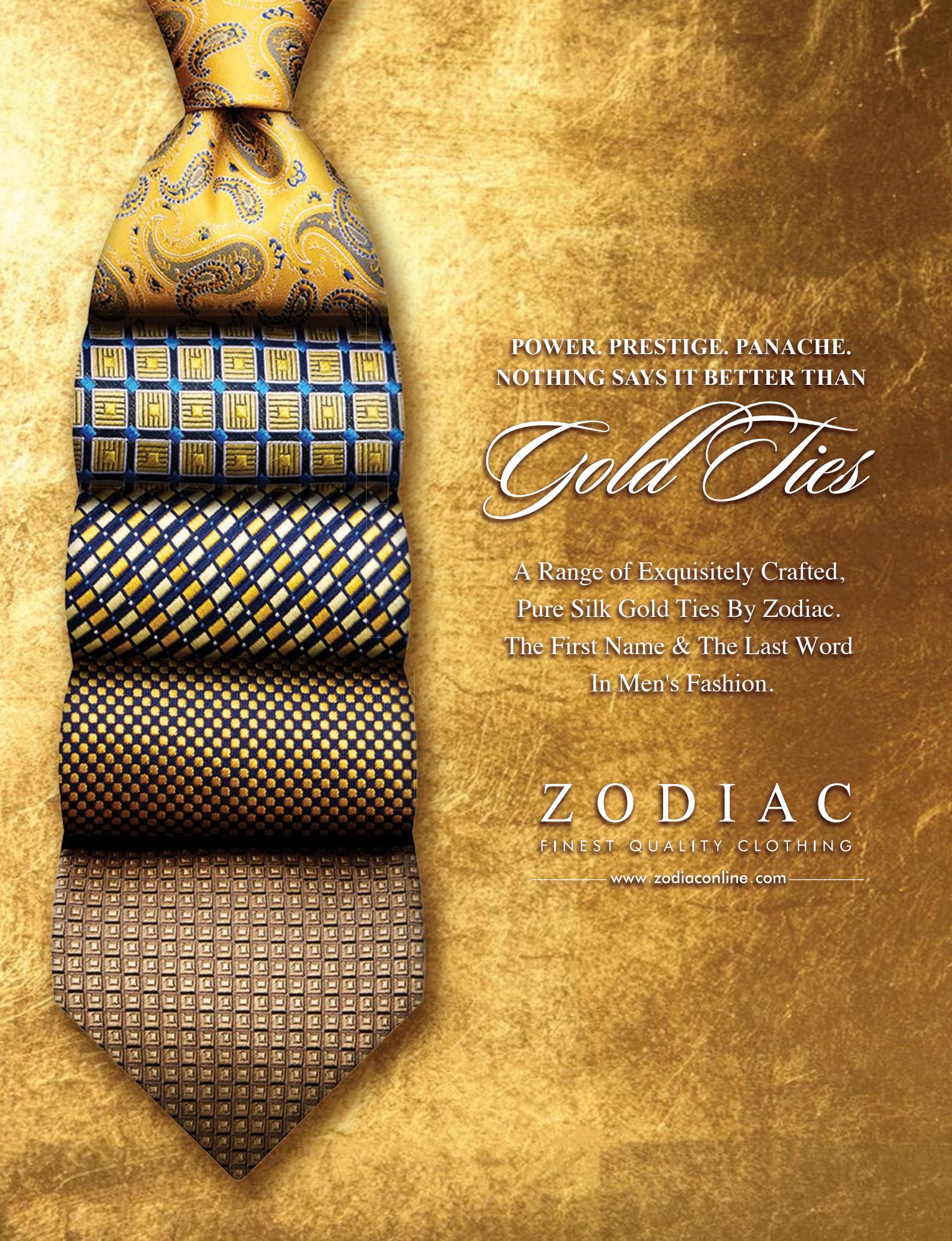
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**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**4(b) Capital Work in Progress**

(CWIP) (Refer Note v)	Opening carrying amount	Additions (Refer note (iv))	Disposals	Assets classified as held for sale	Transfer	Closing carrying amount
For the year ended March 31, 2024	125.87	-	-	1.98	122.63	1.26
For the year ended March 31, 2025	1.26	122.90	-	-	1.26	122.90

**Ageing of CWIP**

Capital Work in Progress (CWIP) (Refer Note v)	Less than one year	1 - 2 years	2 - 3 years	More than 3 years	Total
For the year ended March 31, 2024	-	-	-	1.26	1.26
For the year ended March 31, 2025	122.90	-	-	-	122.90

**Notes:**

- (i) Refer Note 39(ii)(a) for disclosure of contractual commitments for acquisition of property, plant and equipment.
- (ii) Refer Note 38 for information on property, plant and equipment pledged as security by the Company.
- (iii) During the previous year, a part of the building having carrying value of ₹ 360.22 Lakhs has been transferred to investment properties.
- (iv) In FY 2023-24, Plant & Machinery identified as asset held for sale consist of one machinery which Company is in the process of sale after identifying suitable buyer. The Company is planning to use this Plant & Machinery in its factory held at Yelankana from FY 2024-25 and hence, this has been reclassified to Capital-work-in progress.
- (v) Actual cost of capital projects in progress has not exceeded the estimated cost and the actual timelines for completion of projects has not exceeded the estimated timelines in respect of the amounts reported in 4(b), as at end of each reporting period. Accordingly, completion schedule is not presented. CWIP as at March 31, 2025 majorly comprises of costs directly attributable to Plant & Machinery. There are no projects which are suspended as on March 31, 2025 and March 31, 2024.

**4(c) Right-of-use assets and leases**

This note provides information for leases where the Company is a lessee. The Company leases Land and Building (retail stores, warehouse, offices, guest house etc.). Rental contracts are typically made for periods of 1 year to 9 years, but may have extension options as described in (iv) below.

**(i) Amounts recognised in balance sheet**

The balance sheet shows the following amounts relating to leases:

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Right of use assets</b>		
- Leasehold Land	0.74	0.94
- Buildings	4,440.70	4,191.05
<b>Total</b>	<b>4,441.44</b>	<b>4,191.99</b>

**Set out below are the carrying amounts of right of use assets recognised and movements during the year:**

Particulars	Lease hold Land *	Buildings	Total right of use assets
<b>I. Gross carrying amount</b>			
<b>Balance as at March 31, 2023</b>	<b>2.54</b>	<b>7,564.73</b>	<b>7,567.27</b>
Additions	-	3,187.38	3,187.38
Deductions on disposals	-	4,277.73	4,277.73
<b>Balance as at March 31, 2024</b>	<b>2.54</b>	<b>6,474.38</b>	<b>6,476.92</b>
Additions	-	1,934.26	1,934.26
Deductions on disposals	-	767.29	767.29
<b>Balance as at March 31, 2025</b>	<b>2.54</b>	<b>7,641.35</b>	<b>7,643.89</b>
<b>II. Accumulated depreciation</b>			
<b>Balance as at March 31, 2023</b>	<b>1.40</b>	<b>5,417.96</b>	<b>5,419.36</b>
Additions	0.20	1,136.44	1,136.64
Deductions on disposals	-	4,271.07	4,271.07
<b>Balance as at March 31, 2024</b>	<b>1.60</b>	<b>2,283.33</b>	<b>2,284.93</b>
Additions	0.20	1,270.03	1,270.23
Deductions on disposals	-	352.71	352.71
<b>Balance as at March 31, 2025</b>	<b>1.80</b>	<b>3,200.65</b>	<b>3,202.45</b>
<b>Carrying amount</b>			
<b>Balance as at March 31, 2024</b>	<b>0.94</b>	<b>4,191.05</b>	<b>4,191.99</b>
<b>Balance as at March 31, 2025</b>	<b>0.74</b>	<b>4,440.70</b>	<b>4,441.44</b>

\* Refer note 48(n) for immovable properties not held in name of the Company.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**4(c) Right-of-use assets and leases (Contd...)**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Lease liabilities</b>		
Current	931.62	1,092.91
Non-current	3,873.01	3,466.43
<b>Total</b>	<b>4,804.63</b>	<b>4,559.34</b>

**(ii) Amounts recognised in the statement of profit and loss**

The statement of profit and loss shows the following amount relating to lease:

Particulars	Note No.	Year Ended March 31, 2025	Year Ended March 31, 2024
<b>Depreciation charge of Right-of-use assets</b>			
- Leasehold Land	35	0.20	0.20
- Buildings	35	1,270.03	1,136.44
		<b>1,270.23</b>	<b>1,136.64</b>
Gain on termination / remeasurement of lease contracts (included in other income)	30	65.84	-
Interest expense (included in finance costs)	34	425.28	351.09
Rent			
- Expense relating to short-term leases (included in other expenses)	36	387.75	428.50
- Expense relating to variable lease payments not included in lease liabilities	36	164.72	182.95
		<b>552.47</b>	<b>611.45</b>

The total cash outflow for leases for the year ended March 31, 2025 was Rs. 2,123.38 Lakhs (March 31, 2024 Rs. 2,134.44 Lakhs) (including short term and variable lease payments).

**(iii) Variable Lease Payments**

Certain property leases contain variable payment terms that are linked to sales generated from a store. For individual stores, up to 100% of lease payments are on the basis of variable payment terms with percentages ranging from 10% to 30% of sales. Variable payment terms are used for a variety of reasons, including minimising the fixed costs base for newly established stores. Variable lease payments that depend on sales are recognised in statement of profit or loss in the period in which the condition that triggers those payments occurs.

A 50% increase in sales across all stores in the company with such variable lease contracts would increase total lease payments by approximately Rs. 82.36 Lakhs (March 31, 2024 Rs. 91.48 Lakhs).

**(iv) Extension and termination options**

Extension and termination options are included in a number of property leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

**(v) Critical judgments in determining the lease term**

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended.

For leases of retail stores, the Company considers factors such as historical lease durations, the costs and business disruption required to replace the leased asset.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in Rs. Lakhs, unless otherwise stated)

**5 Investment properties**

Particulars	Land	Building	Total
<b>Gross carrying amount</b>			
<b>Balance as at March 31, 2023</b>	-	849.41	849.41
Additions	-	-	-
Reclassified from Property, plant and equipment (Refer Note 4(a)(iii))	-	410.23	410.23
<b>Deductions on disposals</b>	-	-	-
Balance as at March 31, 2024	-	1,259.64	1,259.64
Additions	-	-	-
Deductions on disposals	-	-	-
<b>Balance as at March 31, 2025</b>	-	1,259.64	1,259.64
<b>Accumulated depreciation</b>			
<b>Balance as at March 31, 2023</b>	-	122.57	122.57
Additions	-	18.58	18.58
Reclassified from Property, plant and equipment (Refer Note 4(a)(iii))	-	50.01	50.01
Deductions on disposals	-	-	-
<b>Balance as at March 31, 2023</b>	-	191.16	191.16
Additions	-	24.25	24.25
Deductions on disposals	-	-	-
<b>Balance as at March 31, 2025</b>	-	215.41	215.41
<b>Net carrying amount</b>			
<b>Balance as at March 31, 2024</b>	-	1,068.48	1,068.48
<b>Balance as at March 31, 2025</b>	-	1,044.23	1,044.23

**(i) Amounts recognised in statement of profit or loss for investment properties:**

Particulars	As at March 31, 2025	As at March 31, 2024
Rental income derived from investment properties	378.87	342.11
Direct operating expenses (including repairs and maintenance) of investment properties	10.25	4.93
<b>Income arising from investment properties before depreciation</b>	<b>368.62</b>	<b>337.18</b>
Depreciation	24.25	18.58
<b>Income arising from investment properties (Net)</b>	<b>344.37</b>	<b>318.60</b>

**(ii) Premises given on operating lease:**

The Company has given certain investment properties on operating lease. These lease arrangements range for a period between 1 years to 9 years and include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms.

The total future minimum lease rentals receivable in respect of non-cancellable leases at the Balance Sheet date is as under:

Particulars	As at March 31, 2024	As at March 31, 2023
For a period not later than one year	37.44	35.66
For a period later than one year and not later than five years	56.03	21.69
For a period later than five years	-	-

**(iii) Fair value**

Particulars	Investment Properties	
		Building
As at March 31, 2024		6480.50
As at March 31, 2025		6461.22

**Significant Estimates:**

**Estimation of fair value**

The Company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in active market for similar properties.

The fair valuation of investment properties has been determined by registered independent valuers. The main inputs used are the prevailing market rates and recent sale of similar properties, etc. The fair value measurement is categorised in level 3 fair value hierarchy.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**6. Intangible assets**

	<b>Computer Software</b>
<b>Gross carrying amount</b>	
Balance as at March 31, 2023	606.19
Additions	27.53
Disposals	-
<b>Balance as at March 31, 2024</b>	<b>633.72</b>
Additions	21.26
Disposals	-
<b>Balance as at March 31, 2025</b>	<b>654.98</b>
 <b>Accumulated amortisation</b>	
Balance as at March 31, 2023	469.00
Additions	50.91
Disposals	-
<b>Balance as at March 31, 2024</b>	<b>519.91</b>
Additions	38.38
Disposals	-
<b>Balance as at March 31, 2025</b>	<b>558.29</b>
 <b>Net carrying amount</b>	
Balance as at March 31, 2024	113.81
<b>Balance as at March 31, 2025</b>	<b>96.69</b>

**7. Investments in Subsidiary**

	As at March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
<b>Unquoted</b>				
<b>Equity instruments at cost</b>				
Zodiac Clothing Company S.A., Switzerland (Equity Shares of CHF 1,000/- each)	250	65.91	250	65.91
<b>Total</b>		<b>65.91</b>		<b>65.91</b>
Aggregate value of unquoted investments		65.91		65.91

**8. Non-current Investments**

		As at March 31, 2025		As at March 31, 2024	
		No. of Shares / NCD / Units	Amount	No. of Shares / NCD / Units	Amount
<b>A</b>	<b><u>Investment in Equity Instruments</u></b>				
	<b>Quoted</b>				
	<b>At Fair value through Other Comprehensive Income</b>				
	Shoppers Stop Limited (Equity Shares of ₹5 each)	221,024	1,210.66	221,024	1,661.77
	Aditya Birla Capital Limited (Equity Shares of ₹10 each)	138	0.26	138	0.24
	Grasim Industries Limited (Equity Shares of ₹2 each)	99	2.59	99	2.27
	Aditya Birla Fashion and Retail Limited (Equity Shares of ₹10 each)	343	0.88	343	0.70
	Hindalco Industries Limited (Equity Shares of ₹1 each)	830	5.66	830	4.65
	Coramandel International Limited (Equity Shares of ₹1 each)	108	2.16	108	1.17
	Indraprastha Medical Limited (Equity Shares of ₹10 each)	5,000	19.30	5,000	8.59
	Karur Vysya Bank Limited (Equity Shares of ₹2 each)	32,733	68.45	32,733	59.80
	Maan Alluminium Limited (Equity Shares of ₹5 each)	4,000	3.07	4,000	5.49
	Spentex Industries Limited (Equity Shares of ₹10 each)	54	*	54	*
	<b>Total (A)</b>		<b>1,313.03</b>		<b>1,744.68</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

		As at March 31, 2025		As at March 31, 2024	
		No. of shares / NCD / units	Amount	No. of shares / NCD / units	Amount
<b>B</b>	<b><u>Investment in Non Convertible Debentures (NCD)</u></b>				
	<b>Unquoted</b>				
	<b>At amortised cost</b>				
	11.80 % I L & F S Transportation Networks Limited (NCDs of ₹100 each)	30	213.31	30	281.05
	Less: Impairment Loss		(213.31)		(281.05)
	<b>Total (B)</b>		-		-
<b>C</b>	<b><u>Investment in Venture capital funds</u></b>				
	<b>Unquoted</b>				
	<b>At Fair value through Profit and Loss @</b>				
	Faering Capital India Evolving Fund II (Units of ₹1,000/- each)	59,937	1,605.57	61,548	1,636.66
	Paragon Partners Growth Fund I (Units of ₹100/- each)	166,307	373.49	166,341	283.43
	Tata Capital Healthcare Fund (Units of ₹1 /- each)	-	-	20,000,000	22.00
	Tata Capital Growth Fund (Units of ₹ 1 /- each)	-	-	20,000,000	300.00
	Faering Capital India Evolving Fund (Units of ₹1,000/- each)	10,727	317.19	10,727	301.17
	<b>Total (C)</b>		<b>2,296.25</b>		<b>2,543.26</b>
	<b>Total (A+B+C)</b>		<b>3,609.28</b>		<b>4,287.94</b>
	Aggregate amount of quoted investments		1,313.03		1,744.68
	Aggregate Market Value of the quoted investments		1,313.03		1,744.68
	Aggregate amount of unquoted investments		2,509.56		2,824.31
	Aggregate amount of impairment in the value of investment		213.31		281.05

**Note:**

\* Amount is below the rounding off norms adopted by the Company.

@ Investment in venture capital funds have been fair valued at closing Net Assets Value(NAV) / Fair Market Value(FMV).

Refer Note 45 for information about fair value measurement of investments and Note 39(ii)(b) for Investment Commitments related to Venture Capital funds.

**9 Non-current loans**

	As at March 31, 2025	As at March 31, 2024
<b>Unsecured considered good</b>		
Loans to employees	12.65	10.09
<b>Total</b>	<b>12.65</b>	<b>10.09</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**10 Other non-current financial assets**

	As at March 31, 2025	As at March 31, 2024
<b>Unsecured, considered doubtful</b>		
Security deposits	910.79	921.61
Less: Allowance for doubtful deposits	(42.00)	(42.00)
	<b>868.79</b>	<b>879.61</b>
<b>Unsecured, considered good</b>		
Term deposits with banks	51.68	63.99
Interest accrued on above	7.38	6.28
<b>Total</b>	<b>927.85</b>	<b>949.88</b>
<b>Note: Security Deposits (for premises taken on lease) includes amount paid to:</b>		
<b>(i) Firms in which Directors of the Company are partners</b>		
Metropolitan Trading Company	33.00	33.00
Munraz Enterprises	-	10.00
Mustang Manufacturing Company	-	2.50

**11 Other non-current assets**

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Capital Advances	-	4.67
Prepaid expenses	1.49	4.08
Balances with government authorities (including deposits) -	26.13	44.20
Others		
<b>Total</b>	<b>27.62</b>	<b>52.95</b>

**12 Inventories**

	As at March 31, 2025	As at March 31, 2024
(The mode of valuation of inventories has been stated in Note 2(h))		
Raw and Packing Materials	1,693.37	1,515.05
Work-in-progress	193.14	194.41
Finished goods	4,125.55	3,804.27
Stock-in-trade	425.45	316.76
Stores and Spares	95.13	115.92
<b>Total</b>	<b>6,532.64</b>	<b>5,946.41</b>

Inventory writedowns are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value. Write-downs of inventories amounted to ₹ 287.14 Lakhs for the year ended March 31, 2025 (Rs. 511.34 Lakhs for year ended March 31, 2024). These writedowns were recognised as an expense and included in 'Cost of material consumed', 'changes in inventories of finished goods, stock-in-trade and work-in-progress', and 'consumption of stores and spares' in the Statement of Profit and Loss.

The management has carried out an assessment of carrying value of the inventories and basis such assessment which includes nature, condition, margins and liquidation plan, no further provision, over and above those already provided, is considered necessary.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**13 Current investments**

	No. of Units	As at March 31, 2025	No. of Units	As at March 31, 2024
<b>Investments in Mutual Funds</b>				
<b>Unquoted</b>				
<b>At Fair value through Profit and Loss</b>				
HDFC Ultra Short Term Fund- Regular Growth (Units of ₹ 10/- each)	144,983	21.57	1,326,295	183.65
HDFC Ultra Short Term Fund- Dir-IDCW (Units of ₹ 10/- each)	4,998	0.50	4,637	0.47
HDFC Ultra Short Term Fund Direct Growth (Units of ₹ 10/- each)	906,705	137.67	5,326,600	750.45
HDFC Liquid-DP-Growth Option (Units of ₹ 10/- each)	1,206	61.41	23,897	1,133.61
<b>Total</b>		<b>221.15</b>		<b>2,068.18</b>
Aggregate amount of unquoted investments		221.15		2,068.18

Refer Note 44 for information about fair value measurement of investments.

**14 Trade receivables**

	As at March 31, 2025	As at March 31, 2024
Receivables from related parties (Refer Note 43)	63.94	506.34
Others	2,441.40	2,141.24
Less: Loss Allowances	(398.60)	(398.60)
<b>Total</b>	<b>2,106.74</b>	<b>2,248.98</b>
<b>Note (a): Break-up of security details</b>		
Trade receivables considered good - unsecured	2,106.74	2,248.98
Trade receivables - credit impaired - unsecured	398.60	398.60
<b>Total</b>	<b>2,505.34</b>	<b>2,647.58</b>
Less: Loss Allowances	(398.60)	(398.60)
<b>Total Trade Receivables</b>	<b>2,106.74</b>	<b>2,248.98</b>
<b>Note (b): Amounts Receivable from firms in which Directors are partners</b>		
Mashal Enterprises	-	0.72

Refer Note 45 for information about credit risk and market risk of trade receivables.



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NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

**Note (c): Ageing of trade receivables:**

Unsecured Trade receivables	Not due	Outstanding for following periods from the due date					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2025</b>							
(i) Undisputed - considered good	1,849.78	221.12	10.61	20.92	4.31	-	2,106.74
(ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed - credit impaired	-	-	-	-	-	-	-
(iv) Disputed - considered good	-	-	-	-	-	-	-
(v) Disputed - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed - credit impaired	-	-	-	-	-	<b>398.60</b>	<b>398.60</b>
<b>Less: Loss Allowances</b>							<b>(398.60)</b>
<b>Total</b>	<b>1,849.78</b>	<b>221.12</b>	<b>10.61</b>	<b>20.92</b>	<b>4.31</b>	<b>398.60</b>	<b>2,106.74</b>
<b>As at March 31, 2024</b>							
(i) Undisputed - considered good	1,466.71	650.33	34.00	97.94	-	-	2,248.98
(ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed - credit impaired	-	-	-	-	-	-	-
(iv) Disputed - considered good	-	-	-	-	-	-	-
(v) Disputed - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed - credit impaired	-	-	-	-	-	<b>398.60</b>	<b>398.60</b>
<b>Less: Loss Allowances</b>							<b>(398.60)</b>
<b>Total</b>	<b>1,466.71</b>	<b>650.33</b>	<b>34.00</b>	<b>97.94</b>	<b>-</b>	<b>-</b>	<b>2,248.98</b>

There are no unbilled receivables as at March 31, 2025 and March 31, 2024.

**15 Cash and cash equivalents**

	As at March 31, 2025	As at March 31, 2024
Cash on hand	17.32	10.19
Balances with Banks		
- In current accounts	85.01	78.91
<b>Total</b>	<b>102.33</b>	<b>89.10</b>

There are no repatriation restrictions with regard to cash and cash equivalents as at March 31, 2025 and previous year end.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**16 Bank balances other than cash and cash equivalents**

	As at March 31, 2025	As at March 31, 2024
Unclaimed dividends - Earmarked balances with banks	1.11	1.87
<b>Total</b>	<b>1.11</b>	<b>1.87</b>

**17 Current loans**

	As at March 31, 2025	As at March 31, 2024
<b>Unsecured considered good</b>		
Loans to employees	9.48	5.36
<b>Total</b>	<b>9.48</b>	<b>5.36</b>

**18 Other current financial assets**

	As at March 31, 2025	As at March 31, 2024
<b>Unsecured, considered good</b>		
Security deposits	35.09	43.47
Other deposits	68.75	54.68
Interest accrued	6.03	0.85
Other receivable	26.49	-
Derivative financial instruments	17.70	5.96
Advances recoverable from employees	50.53	30.15
Other advances	143.61	4.19
Advance for purchase of mutual fund	-	#179.94
<b>Total</b>	<b>348.20</b>	<b>319.24</b>

# This represents amount paid towards purchase of mutual fund and units allotted subsequent to March 31, 2024.

**19 Other current assets**

	As at March 31, 2025	As at March 31, 2024
<b>Unsecured, considered good</b>		
Export benefits receivables	192.47	323.33
Excess contribution to gratuity fund (Refer Note 41)	9.21	-
Interest subvention receivable	-	1.23
Advances to suppliers	6.26	13.18
Prepaid expenses	72.30	66.12
Balances with government authorities - GST input credit receivable/refundable	2529.10	2478.53
<b>Total</b>	<b>2,809.34</b>	<b>2,882.39</b>

**20 Assets classified as held for sale**

	As at March 31, 2025	As at March 31, 2024
Plant & Machinery *	-	122.90
<b>Total</b>	<b>-</b>	<b>122.90</b>

\*In FY 2023-24, Plant & Machinery identified as asset held for sale consist of one machinery which Company is in the process of sale after identifying suitable buyer. The Company is planning to use this Plant & Machinery in its factory held at Yelahanka from FY 2024-25 and hence, this has been reclassified to Capital-work-in progress. (Refer note 4(b))

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**21 Equity share capital**

	As at March 31, 2025	As at March 31, 2024
<b>Authorised</b>		
3,40,00,000 [March 31, 2024: 3,40,00,000] Equity Shares of ₹10 each	3,400.00	3,400.00
<b>Issued, subscribed and fully paid up</b>	2,599.37	2,599.37
2,59,93,717 [March 31, 2024: 2,59,93,717] Equity Shares of ₹10 each	<b>2,599.37</b>	<b>2,599.37</b>

**Notes:**

a) **Reconciliation of number of shares:**

	As at March 31, 2025	As at March 31, 2024
	Number of shares	Amount
<b>Equity Shares :</b>		
Balance as at the beginning of the year	2,59,93,717	2,599.37
Issued during the year	-	25,993,717
<b>Balance as at the end of the year</b>	<b>2,59,93,717</b>	<b>2,599.37</b>

b) **Rights, preferences and restrictions attached to shares:**

**Equity shares:** The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) **Details of shares held by each shareholder holding more than 5% shares in the Company:**

	As at March 31, 2025		As at March 31, 2024	
	%	No. of shares	%	No. of shares
Asia Tangible Investments Pte Limited	12.14	3,154,882	12.14	3,154,882
Euro Global Holdings Pte Limited	12.14	3,154,882	12.14	3,154,882
Anees Yusuf Noorani	23.08	6,000,109	23.08	6,000,109
Salman Yusuf Noorani	22.35	5,808,376	22.35	5,808,376

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**  
 (All amounts are in ₹ Lakhs, unless otherwise stated)

**d) Details of shareholding of promoters:**

		Year Ended March 31, 2025		Year Ended March 31, 2024	
		Number of Shares	% of total number of shares	Number of Shares	% of total number of shares
Late Mohamed Yusuf Noorani		232,875	0.90	-	232,875
Salman Yusuf Noorani & Anees Yusuf Noorani		-	-	-	-
Salman Yusuf Noorani		5,808,376	22.35	5,808,376	22.35
Anees Yusuf Noorani		6,000,109	23.08	6,000,109	23.08
Euro Global Holdings Pte. Ltd.		3,154,882	12.14	3,154,882	12.14
Asia Tangible Investments Pte. Ltd.		3,154,882	12.14	3,154,882	12.14
Adnan Salman Noorani		200,000	0.77	200,000	0.77
Muna Anees Noorani		75	&	75	&
Zebra Salman Noorani		367	&	367	&
Musaed Anees Noorani		8,409	0.03	8,409	0.03
Awais Anees Noorani		75	&	75	&
Saniyya Anees Noorani		75	&	75	&
M Y Noorani 2007 Trust (Trustee - Anees Yusuf Noorani and Salman Yusuf Noorani)		607	&	607	&
<b>Total</b>		<b>18,560,732</b>	<b>71.41</b>	<b>18,560,732</b>	<b>71.41</b>

**e)** During the five years immediately preceding the reporting date, no shares have been bought back nor had the Company issued any bonus shares or any shares for consideration other than cash.

& Percentages are below the rounding off norms adopted by the Company

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**22 Other Equity**

	Reserves and Surplus						Other Comprehensive Income (OCI)			Total
	Securities Premium	Amalgamation Reserve	State Cash Subsidy	Capital Reserve	General Reserves	Retained Earnings	FVOCI - Equity Instruments	Cash Flow Hedging Reserve		
<b>Balance as at March 31, 2023</b>	<b>10,749.10</b>	<b>8.16</b>	<b>15.84</b>	<b>200.00</b>	<b>2,677.51</b>	<b>8,143.56</b>	<b>1,198.86</b>	<b>(1.03)</b>	<b>22,992.00</b>	
Loss for the year	-	-	-	-	-	(3,486.58) (24.39)	-	-	(3,486.58) (24.39)	
Remeasurements of defined benefit obligation	-	-	-	-	-	-	-	-	-	
Equity instruments through other comprehensive income, net of tax	-	-	-	-	-	-	-	-	-	
Changes in fair value of equity instruments through other comprehensive income (net of tax)	-	-	-	-	-	-	243.91	-	243.91	
Changes in the fair value of hedging instrument (net of tax)	-	-	-	-	-	-	-	-	-	
Reclassification to Statement of Profit and Loss (net of tax)	-	-	-	-	-	(3,510.97)	243.91	-	4.29 1.03 (3,261.74)	
<b>Total Comprehensive Loss for the year</b>										
<b>Balance as at March 31, 2024</b>	<b>10,749.10</b>	<b>8.16</b>	<b>15.84</b>	<b>200.00</b>	<b>2,677.51</b>	<b>4,632.59</b>	<b>1,442.77</b>	<b>4.29</b>	<b>19,730.26</b>	
Loss for the year	-	-	-	-	-	(4,031.09) 47.36	-	-	(4,031.09) 47.36	
Remeasurements of defined benefit obligation	-	-	-	-	-	-	-	-	-	
Equity instruments through other comprehensive income, net of tax	-	-	-	-	-	-	-	-	-	
Changes in fair value of equity instruments through other comprehensive income (net of tax)	-	-	-	-	-	-	(384.78)	-	(384.78)	
Changes in the fair value of hedging instrument (net of tax)	-	-	-	-	-	-	-	-	-	
Reclassification to Statement of Profit and Loss (net of tax)	-	-	-	-	-	(3,983.73)	(384.78)	-	8.56 (4.29) (4,364.24)	
<b>Total Comprehensive Loss for the year</b>										
<b>Balance as at March 31, 2025</b>	<b>10,749.10</b>	<b>8.16</b>	<b>15.84</b>	<b>200.00</b>	<b>2,677.51</b>	<b>648.86</b>	<b>1,057.99</b>	<b>8.56</b>	<b>15,366.02</b>	

**Purpose of Significant Reserves:**

**Retained Earnings**

Retained Earnings are the Profits that the Company has earned till date, less any transfer to general reserve, dividends or other distribution paid to shareholders.

**Securities Premium**

Securities premium is used to record the premium on issue of shares, which is to be utilised in accordance with the provisions of the Act.

**Capital Redemption Reserve**

Represent reserve created during redemption of Preference Shares and it is a non-distributable reserve, which is to be utilised in accordance with provision of the Act.

**General Reserve**

The general reserve is a free reserve, retained from Company's profits. The reserves can be utilised as per the provisions of the Companies Act, 2013.

**FVOCI - Equity Instruments**

The Company has elected to recognise changes in the fair value of investments in certain equity securities as other comprehensive income. These changes are accumulated within the FVOCI equity instruments reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are sold.

**Cash Flow Hedging Reserve**

The cumulative effective portion of gain or losses arising on changes in the fair value of hedging instruments designated as cash flow hedges are recognised in the other comprehensive income in the cash flow hedging reserve. Such changes recognised are reclassified to the statement of profit and loss when the hedged item affects the profit or loss.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**23 Non-current borrowings**

	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
<b>Secured</b>		
Guaranteed Emergency Credit Line (GECL)	-	258.78
<b>Total Non-current borrowings</b>	-	<b>258.78</b>
Less: Current maturities of long term debt (included in Note 24)	-	(258.78)
Less: Interest accrued but not due on borrowings (included in Note 26)	-	-
<b>Total Non-current borrowings (as per Balance Sheet)</b>	-	-

Refer Note 45 for liquidity risk

**Notes:**

Nature of Security and terms of repayment:

- (i) The loan is secured against hypothecation of all current assets of the Company (Refer note 38).
- (ii) The loan carries an interest rate of nil (March 31, 2024: 8.25% to 9.25% p.a.).
- (iii) The loan is repayable in 36 equated monthly instalments starting from the 13th month of their respective drawdown dates. Last installment is due on March 20, 2025 which is paid on time.

**24 Current Borrowings**

	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
<b>From Banks (Working Capital Loans):</b>		
Secured		
In Indian Rupees		
- Rupee Packing Credit (RPC)	2,298.66	2,120.67
- Bank Overdraft	1,848.01	1,631.79
<b>From Related Parties:</b>		
Unsecured		
Loans from Directors (Refer Note 43)	492.85	39.00
<b>Total Current borrowings</b>	<b>4,639.52</b>	<b>3,791.46</b>
Less: Interest accrued but not due on borrowings (included in Note 26)	(18.15)	(6.10)
Current maturities of long term debt (Refer Note 23)	-	258.78
<b>Total Current borrowings</b>	<b>4,621.37</b>	<b>4,044.14</b>

**Nature of Security and terms of repayment:**

- (i) Current borrowings are secured against hypothecation of all current assets of the Company (Refer note 38)
- (ii) RPC is repayable within 180 days. Effective Interest rate ranging from 5.60% to 9.60% p.a. (March 31, 2024: 3.10% to 6.10% p.a.)
- (iii) Bank Overdraft carries rate of interest ranging from 9.10% to 9.60% p.a. (March 31, 2024: 9.10% to 9.50% p.a.)
- (iv) Loans from Directors carries rate of interest of 7% p.a.
- (v) Refer Note 45 for liquidity risk.
- (vi) The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 38.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**25 Trade payables**

	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Trade payables		
- total outstanding dues of micro enterprises and small enterprises [Refer Note below]	14.54	7.37
- total outstanding dues of creditors other than micro enterprises and small enterprises		
- Payable to related parties [Refer Note 43]	603.31	426.54
- Others	3,323.61	3,031.01
<b>Total</b>	<b>3,941.46</b>	<b>3,464.92</b>

Refer Note 45 for information about liquidity risk and market risk of trade payables.

Aging of trade payables:

<b>Particulars</b>	<b>Unbilled Dues</b>	<b>Outstanding for following years from due date of payment</b>					<b>Total</b>
		<b>Not due</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	
<b>As at March 31, 2025</b>							
(i) MSME	-	11.47	3.07	-	-	-	<b>14.54</b>
(ii) Others	125.29	2,098.24	1,429.48	112.15	88.64	73.12	<b>3,926.92</b>
(iii) Disputed Dues - MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>125.29</b>	<b>2,109.71</b>	<b>1,432.55</b>	<b>112.15</b>	<b>88.64</b>	<b>73.12</b>	<b>3,941.46</b>
<b>As at March 31, 2024</b>							
(i) MSME	-	2.62	4.75	-	-	-	<b>7.37</b>
(ii) Others	46.32	1,342.19	1,834.58	152.98	25.60	55.88	<b>3,457.55</b>
(iii) Disputed Dues - MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>46.32</b>	<b>1,344.81</b>	<b>1,839.33</b>	<b>152.98</b>	<b>25.60</b>	<b>55.88</b>	<b>3,464.92</b>

There are no disputed trade payable.

**Notes:**

The Company has certain dues to suppliers under Micro, small and Medium enterprises Development Act, 2006 ("MSMED Act"). The disclosure pursuant to the said MSMED Act are as follows:

Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end

Interest thereon due to suppliers registered under the MSMED Act and remaining unpaid as at year end

Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year

Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year

Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year

Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act

Interest accrued and remaining unpaid at the end of each accounting year

Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act

<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
14.03	6.80
0.51	0.57
46.41	39.90
2.04	0.65
-	-
-	-
0.51	0.37
-	-

**Note:** The above is based on information available with the company regarding the registration status of the supplier as micro enterprises and small enterprises under MSMED Act.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**26 Other financial liabilities**

Other non-current financial liabilities

	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Security deposits	65.97	62.60
<b>Total</b>	<b>65.97</b>	<b>62.60</b>
<b>Other current financial liabilities</b>		
Interest accrued but not due on borrowings (Refer note 23 and 24)	18.15	6.10
Unclaimed dividends [Refer Note below]	1.11	1.87
Capital creditors	210.13	208.26
Book Overdraft	9.59	-
<b>Total</b>	<b>238.98</b>	<b>216.23</b>

**Notes:** Amount of Rs. 0.62 lakhs is due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

**27 Other liabilities**

<b>Other non-current liabilities</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Deferred rent income	12.62	15.82
<b>Total</b>	<b>12.62</b>	<b>15.82</b>
<b>Other current liabilities</b>		
Contract liabilities - advance from customers *	147.61	112.72
Statutory dues payable	102.84	96.71
Employee benefits payable	537.25	504.18
Deferred rent income	3.21	3.21
<b>Total</b>	<b>790.91</b>	<b>716.82</b>

\*Contract liabilities reflect advance payments from customers. These are amounts received prior to transferring goods and services to the customer. The balance as at the beginning of the year is recognised as revenue during the year while the amount recognised as at the end of the year represents advance payments received during the respective year.

**28 Provisions**

	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Provision for employee benefits (Refer Note 41)		
- Compensated absences	53.88	57.29
- Gratuity	-	17.65
<b>Total</b>	<b>53.88</b>	<b>74.94</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**29 Revenue from Operations**

	<b>Year Ended March 31, 2025</b>	<b>Year Ended March 31, 2024</b>
<b>Revenue from contracts with customers</b>		
- Sale of Products	16,633.37	13,861.26
- Sale of Services (Freight and Insurance)	68.71	74.59
<b>Other operating revenue</b>		
- Export Incentives	583.39	472.19
- Process waste sale	6.00	4.15
<b>Total</b>	<b>17,291.47</b>	<b>14,412.19</b>

**(i)** There are no unsatisfied performance obligations resulting from Revenue from Contracts with Customers as at March 31, 2025 and March 31, 2024.

<b>(ii) Reconciliation of revenue from contracts with customers recognised with contract price:</b>	<b>Year Ended March 31, 2025</b>	<b>Year Ended March 31, 2024</b>
Contract price	16,916.21	14,139.27
Adjustments for:		
Refund liabilities		
- Discounts and Rebates	(32.26)	(43.34)
- Sales returns	(181.87)	(160.08)
<b>Revenue from contract with customers</b>	<b>16,702.08</b>	<b>13,935.85</b>

**(iii)** Contract liabilities reflect advance payments from customers. These are amounts received prior to transferring goods and services to the customer. The balance as at the beginning of the year is recognised as revenue during the year while the amount recognised as at the end of the year represents advance payments received during the respective year.

	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Contract liabilities - advance from customers *	147.61	112.72
<b>Total</b>	<b>147.61</b>	<b>112.72</b>

**30 Other income**

	<b>Year Ended March 31, 2025</b>	<b>Year Ended March 31, 2024</b>
Interest income		
- unwinding of discount on security deposit	45.21	47.24
- fixed deposits	7.59	7.31
- income tax refunds	26.09	4.67
- others	20.01	1.14
Dividend Income		
- financial assets measured at fair value through profit or loss	6.30	22.89
Rent income	387.87	351.11
Net gain on fair value / sale of financial assets measured at fair value through profit or loss	527.28	289.99
Net gain on foreign currency transactions and translation	32.01	-
Gain on termination / remeasurement / modification of lease contracts	65.84	-
Miscellaneous income	81.58	30.76
<b>Total</b>	<b>1,199.78</b>	<b>755.11</b>

**31 Cost of materials consumed**

	<b>Year Ended March 31, 2025</b>	<b>Year Ended March 31, 2024</b>
Raw and packing materials at the beginning of the year	1,515.96	1,686.18
Purchases	7,254.49	5,886.16
Less: Raw and packing materials at the end of the year	(1,693.37)	(1,515.05)
<b>Total</b>	<b>7,077.08</b>	<b>6,057.29</b>

A close-up, profile photograph of a man with dark hair and a light beard, looking towards the right. He is wearing a light-colored, long-sleeved button-down shirt with thin vertical stripes. The background is a blurred, sunlit coastal town with buildings and hills.

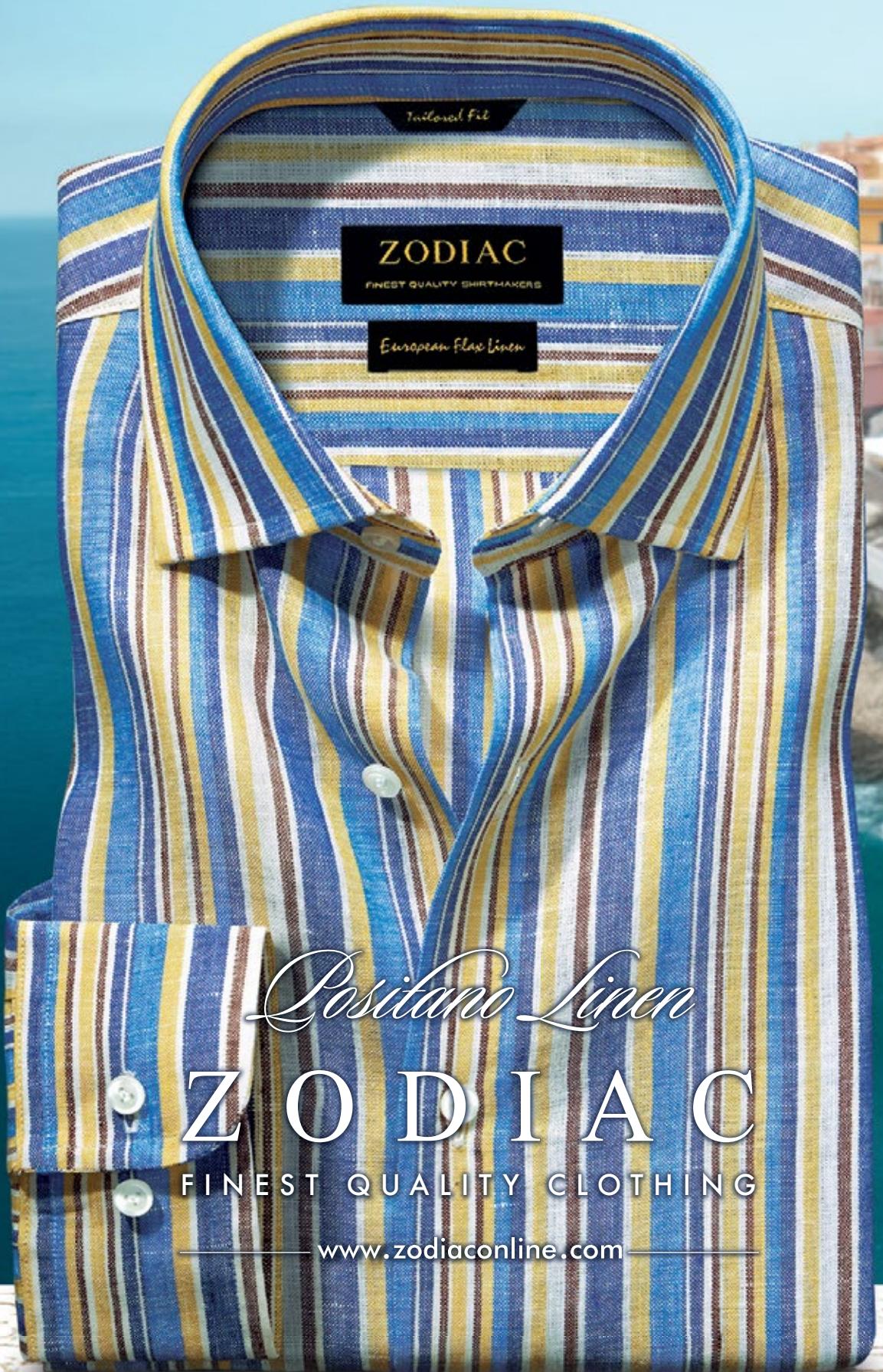
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**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

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

	<b>Year Ended March 31, 2025</b>	<b>Year Ended March 31, 2024</b>
<b>Opening inventories</b>		
Finished goods	3,804.27	3,584.13
Stock-in-trade	316.76	363.71
Work-in-progress	194.41	164.69
	<b>4,315.44</b>	<b>4,112.53</b>
<b>Closing inventories</b>		
Finished goods	4,125.55	3,804.27
Stock-in-trade	425.45	316.76
Work-in-progress	193.14	194.41
	<b>4,744.14</b>	<b>4,315.44</b>
<b>Total</b>	<b>(428.70)</b>	<b>(202.91)</b>

**33 Employee benefits expense**

	<b>Year Ended March 31, 2024</b>	<b>Year Ended March 31, 2023</b>
Salaries, wages, bonus etc.	4,075.87	3,741.83
Contribution to provident and other funds (Refer Note 41)	352.20	332.49
Gratuity expenses (Refer Note 41)	60.52	53.15
Staff welfare expenses	52.34	54.57
<b>Total</b>	<b>4,540.93</b>	<b>4,182.04</b>

**34 Finance costs**

	<b>Year Ended March 31, 2025</b>	<b>Year Ended March 31, 2024</b>
Interest expense on:		
- Term Loans	11.63	36.34
- Current Borrowings	334.99	280.04
- Lease Payments	425.28	351.09
- Others	21.91	7.19
<b>Total</b>	<b>793.81</b>	<b>674.66</b>

**35 Depreciation and amortization expense**

	<b>Year Ended March 31, 2025</b>	<b>Year Ended March 31, 2024</b>
Depreciation on property, plant and equipment (Refer Note 4(a))	679.41	667.87
Depreciation on right-of-use assets (Refer Note 4(c))	1,270.23	1,136.64
Depreciation on investment properties (Refer Note 5)	24.25	18.58
Amortisation on intangible assets (Refer Note 6)	38.38	50.91
<b>Total</b>	<b>2,012.27</b>	<b>1,874.00</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**36 Other expenses**

	<b>Year Ended March 31, 2025</b>	<b>Year Ended March 31, 2024</b>
Consumption of stores and spares	192.75	117.83
Power and fuel	225.36	212.08
Job work charges	533.37	274.83
Insurance	95.69	101.91
Repairs to buildings	86.50	84.34
Repairs to machinery	15.03	16.56
Repairs and maintenance - Others	374.63	310.90
Rent	552.47	611.45
Electricity expenses	250.95	246.03
Retail store maintenance expenses	397.23	372.87
Rates and taxes	190.43	166.36
Advertisement and sales promotion	802.06	646.85
Commission to selling agents	760.60	613.28
Freight and forwarding	1,007.76	758.21
Trade mark fees	68.33	61.27
Legal and professional expenses	247.34	229.34
Payments to auditors (Refer Note (i) below)	25.36	22.15
Travelling and conveyance	383.14	334.64
Director fees	24.20	26.80
Donations	-	80.00
Expenditure incurred for Corporate Social Responsibility (Refer Note (ii) below)	91.52	51.00
Net loss on fair value / sale of financial assets measured at fair value through profit or loss	302.29	-
Exchange fluctuation - Others	-	25.08
Bad debts, loans, advances, deposits etc. written off	119.95	110.46
Net loss on sale/discard of property, plant and equipment	75.76	52.68
Bank charges	155.21	121.62
Security charges	112.88	102.83
Miscellaneous expenses	157.66	141.90
<b>Total</b>	<b>7,248.47</b>	<b>5,893.27</b>

**Notes:**

**(i) Payments to auditors:**

	<b>Year Ended March 31, 2025</b>	<b>Year Ended March 31, 2024</b>
<b>As auditor:</b>		
Audit fees	17.00	13.00
Limited review fees	6.00	6.00
<b>In other capacities:</b>		
Certifications fees	1.00	1.00
Reimbursement of expenses	1.36	2.15
<b>Total</b>	<b>25.36</b>	<b>22.15</b>

**(ii) Details of Corporate Social Responsibility (CSR) Expenditure:**

	<b>Year Ended March 31, 2025</b>	<b>Year Ended March 31, 2024</b>
Amount required to be spent as per Section 135 of the Act *	-	-
Amount spent during the year on:		
(i) Construction / acquisition of an asset	-	-
(ii) On purpose other than (i) above	91.52	51.00
<b>Total</b>	<b>91.52</b>	<b>51.00</b>

\* The Company did not have profits in immediately preceding three financial years and therefore there is no amount required to be spent as per Section 135(5) of the Act in current year and previous year.

- (a) Nature of CSR activities - Amount contributed for promoting healthcare including preventive healthcare in both the years.  
 (b) Related Party transaction for CSR - Nil (Previous year - Nil).

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**37 Taxes**

**i) Tax expense recognised in the Standalone Statement of Profit and Loss:**

	Year Ended March 31, 2025	Year Ended March 31, 2024
<b>Current tax</b>		
Expense for the year	-	-
<b>Total current tax (A)</b>	<b>-</b>	<b>-</b>
<b>Deferred tax</b>		
Deferred tax credit	580.66	(24.73)
<b>Total deferred tax credit (B)</b>	<b>580.66</b>	<b>(24.73)</b>
<b>Total tax expense for the year (C) = (A + B)</b>	<b>580.66</b>	<b>(24.73)</b>
Tax in respect of earlier years (D)	-	0.39
<b>Total tax expense (C + D)</b>	<b>580.66</b>	<b>(24.34)</b>

**Note:** Pursuant to the amendments in the Finance Bill, 2024 in respect of taxation of capital gains, the Company has remeasured its deferred tax assets / liabilities on items subject to capital gain taxation and accordingly a one time cumulative impact of ₹591.00 Lakhs has been recognised during the year ended March 31, 2025.

**ii) A reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the loss before income taxes is summarized below:**

	Year Ended March 31, 2025	Year Ended March 31, 2024
Profit/ (Loss) before tax	(3,450.43)	(3,510.92)
Less: Set off Unabsorbed Depreciation	-	-
Enacted income tax rate in India	(3,450.43)	(3,510.92)
<b>Tax expenses at enacted income tax rate</b>	<b>27.82%</b>	<b>27.82%</b>
	<b>(959.91)</b>	<b>(976.74)</b>
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income		
Permanent Disallowance	74.74	93.29
Additional deduction for House Property Income under Income Tax	(30.45)	(28.81)
Differential tax rate in respect of income from capital gains	13.74	24.71
Deferred tax assets not recognised on business losses	647.54	581.87
Deferred tax assets not recognised on unabsorbed depreciation	202.07	195.78
Gratuity disallowed	-	15.05
One time impact in respect of taxation of capital gains due to amendment in Finance Bill, 2024	591.00	-
Others	41.93	70.12
<b>Total Tax Expenses</b>	<b>580.66</b>	<b>(24.73)</b>

**iii) Tax Assets**

	As at March 31, 2025	As at March 31, 2024
Non-Current Tax Assets (net of provision of ₹2,762.57 Lakhs (As at March 31, 2024 ₹2,762.57 Lakhs))	1,047.73	1,074.90
<b>Total</b>	<b>1,047.73</b>	<b>1,074.90</b>

**iv) The movement in deferred tax assets and liabilities during the year ended March 31, 2025 and March 31, 2024:**

	As at March 31, 2023	Credit/ (charge) in statement of Profit and Loss	Credit/ (charge) in Other Com- prehensive Income	As at March 31, 2024	Credit/ (charge) in statement of Profit and Loss	Credit/ (charge) in Other Com- prehensive Income	As at March 31, 2025
<b>Deferred tax assets/(liabilities)</b>							
Provision for employee benefits	22.92	(11.90)	-	11.02	(21.13)	11.92	1.81
Loss allowance	122.57	-	-	122.57	-	-	122.57
Property, plant and equipment and intangible assets	(328.17)	126.25	-	(201.92)	(84.17)	-	(286.09)
Lease Liabilities and Right-of-use assets	158.71	(56.51)	-	102.20	(1.16)	-	101.04
Unabsorbed Depreciation	1,698.58	(147.09)	-	1,551.49	(8.61)	-	1,542.88
Business Losses	23.01	(23.01)	-	-	-	-	-
Others	(132.73)	136.99	(24.73)	(20.48)	(465.59)	33.31	(452.76)
<b>Total</b>	<b>1,564.88</b>	<b>24.73</b>	<b>(24.73)</b>	<b>1,564.88</b>	<b>(580.66)</b>	<b>45.23</b>	<b>1,029.45</b>

**Significant Estimates:** Based on the future business plans and the underlying assumptions such as fair value of immovable properties, as also assessed by an external registered valuer, the company has estimated that the future taxable income will be sufficient to absorb carried forward unabsorbed depreciation, which management believes is probable, accordingly the Company has recognized deferred tax asset on aforesaid unabsorbed depreciation. However, deferred tax on carried forward unabsorbed depreciation and business losses as detailed below has not been considered for recognition of deferred tax asset. Further, deferred tax asset on business losses has been recognised to the extent of deferred tax liabilities.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**37 Taxes (Contd...)**

Assessment Year (A.Y.)	Business Loss			Unabsorbed Depreciation		
	As at March 31, 2025	As at March 31, 2024	Loss Carried forward for upto A.Y.	As at March 31, 2025	As at March 31, 2024	Loss Carried forward for upto A.Y.
2017 - 18	1,064.52	1,064.52	2025-26	1,056.74	1,056.74	
2018 - 19	1,836.69	1,836.69	2026-27	1,166.48	1,166.48	
2019 - 20	457.88	457.88	2027-28	1,056.32	1,056.32	
2020 - 21	1,879.04	1,879.04	2028-29	981.42	981.42	
2021 - 22	3,000.44	3,000.44	2029-30	871.83	871.83	
2022 - 23	2,025.65	2,025.65	2030-31	787.01	787.01	
2023 - 24	-	-		-	-	
2024 - 25	1,871.79	2,008.84	2032-33	704.97	703.78	
2025 - 26	2,327.59	-	2033-34	726.33	-	
Less - Deferred tax recognized	-	-		(5,545.94)	(5,591.59)	
<b>Unrecognized Amount</b>	<b>14,463.60</b>	<b>12,273.06</b>		<b>1,805.16</b>	<b>1,031.99</b>	

**38 Assets pledged as securities**

The carrying amounts of assets pledged as security for current and non-current borrowings are:

	As at March 31, 2025	As at March 31, 2024
<b>Floating Charge</b>		
<b>Current Assets</b>		
<b>Financial Assets</b>		
- Investments	221.15	2,068.18
- Trade receivables *	2,042.80	1,742.64
- Cash and cash equivalents	102.33	89.10
- Loans	9.48	5.36
- Others financial assets	348.20	319.24
	2,723.96	4,224.52
<b>Non Financial Assets</b>		
- Inventories	6,532.64	5,946.41
- Other current assets	2,809.34	2,882.39
	9,341.98	8,828.80
<b>Total assets</b>	<b>12,065.94</b>	<b>13,053.32</b>

\* Trade Receivables represent receivables excluding related parties trade receivables as per the terms of security.

**39 Contingent liabilities, Contingent assets and commitments (to the extent not provided for):**

		As at March 31, 2025	As at March 31, 2024
<b>i</b>	<b>Contingent Liabilities</b> Claims against the company not acknowledged as debts in respect of: Income Tax matters (including TDS matters)	1,047.70	1,146.26

**Significant Estimates:-**

The Company has litigations in respect of certain Income Tax matters. The management does assessment of all outstanding matters and wherever required, further obtains legal advices including those related to interpretation of law. Based on such assessment, it concludes whether a provision should be recognised or a disclosure should be made.

		As at March 31, 2025	As at March 31, 2024
<b>ii</b>	<b>Commitments</b>		
<b>(a)</b>	<b>Capital Commitments</b> Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows: Property, plant and equipment Less: Capital advances (Refer Note 11) Net Capital commitments *	-	4.67 (4.67)
<b>(b)</b>	<b>Investment Commitments related to Venture Capital funds</b> Investment Commitments related to Venture Capital funds	35.93	35.93

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

Investment commitment: Contribution is to be made on “as needed” basis pursuant to drawdown notices issued by the respective funds over commitment period.

Miraj Marketing Company LLP (MMLP) vide Deed of Adherence (DOA) dated October 31, 2020 and January 30, 2021 executed in favour of Faering Capital India Evolving Fund II and the Company, has acquired Investment Commitment of class A units of Faering Capital India Evolving Fund amounting to ₹298.80 Lakhs from the Company and pursuant to which the Company is no longer committed for investment commitment to the extent of ₹298.80 lakhs.

**40 Earnings per share**

	<b>Year ended March 31, 2025</b>	<b>Year ended March 31, 2024</b>
<b>Basic &amp; Diluted</b>		
(Loss) / Profit for the year (₹ in lakhs)	(A) (4,031.09)	(3,486.58)
Weighted average number of equity shares outstanding (nos)	(B) 25,993,717	25,993,717
Basic and Diluted (Loss) / Earning Per Share (₹)	(A / B) (15.51)	(13.41)
Nominal value per equity shares (in ₹)		10

**41 Post retirement benefit plans**

**I. Defined Benefit Plan - Gratuity:**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service, subject to a ceiling of ₹20 Lakhs. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

As per Actuarial Valuation as on March 31, 2025 and March 31, 2024, amounts recognised in the Standalone financial statements in respect of Employee Benefits Scheme:

**A. Amount recognised in the Balance Sheet**

	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Present value of plan liabilities	945.97	959.86
Fair value of plan assets	(955.18)	(942.21)
<b>Net plan liability / (Net plan surplus)</b>	<b>(9.21)</b>	<b>17.65</b>

**B Movement in plan assets and liabilities**

	<b>Year ended March 31, 2025</b>			<b>Year ended March 31, 2024</b>		
	<b>Plan Assets</b>	<b>Plan Liabilities</b>	<b>Net</b>	<b>Plan Assets</b>	<b>Plan Liabilities</b>	<b>Net</b>
<b>As at 1st April</b>	942.21	959.86	(17.65)	947.86	891.45	56.41
Current service cost	-	59.25	(59.25)	-	57.35	(57.35)
Interest cost	-	69.11	(69.11)	-	66.51	(66.51)
Interest income	67.85	-	67.85	70.71	-	70.71
Actuarial (gain)/loss arising from changes in financial assumptions	-	25.94	(25.94)	-	14.77	(14.77)
Actuarial (gain)/loss arising from experience adjustments	-	(72.00)	72.00	-	9.19	(9.19)
Return on plan assets excluding actual return of plan assets	1.30	-	1.30	(0.43)	-	(0.43)
Employer contributions	40.01	-	40.01	3.48	-	3.48
Benefit payments	(96.19)	(96.19)	-	(79.41)	(79.41)	-
<b>As at 31st March</b>	<b>955.18</b>	<b>945.97</b>	<b>9.21</b>	<b>942.21</b>	<b>959.86</b>	<b>(17.65)</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**The liabilities are split between different categories of plan participants as follows:**

	As at March 31, 2025	As at March 31, 2024
Active members (in nos.)	1006	1196
Retired Members (in nos.)	36	39
The weighted average duration of the defined benefit obligations	7 years	8 years
Expected contribution to the Fund in next year (₹ in lakhs)	47.09	76.90

**C Standalone Statement of Profit and Loss**

	Year ended March 31, 2025	Year ended March 31, 2024
<b>Employee Benefits Expense:</b>		
Current service cost	59.25	57.35
Net Interest income	1.27	(4.20)
<b>Amount recognised in Standalone Statement of Profit and Loss</b>	<b>60.52</b>	<b>53.15</b>
<b>Remeasurements of the net defined benefits liability:</b>		
Actuarial gains arising from changes in financial assumptions	25.94	14.77
Experience gains	(72.00)	9.19
Return on plan assets excluding actual return on plan assets	(1.30)	0.43
<b>Amount recognised in Other Comprehensive Income - (gain) / loss</b>	<b>(47.36)</b>	<b>24.39</b>

Total impact of remeasurement of net defined benefit plan (income) / expense recognised through other comprehensive Income as at March 31, 2025 and included in Retained earnings is (₹47.36) lakhs (Previous Year: ₹24.39 Lakhs).

**D Assets**

	Gratuity	
	As at March 31, 2025	As at March 31, 2024
Insurer managed Fund	955.18	942.21
<b>Total</b>	<b>955.18</b>	<b>942.21</b>

**E Assumptions**

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

<b>Financial Assumptions</b>	As at March 31, 2025	As at March 31, 2024
Discount rate	6.72%	7.20%
Salary Escalation Rate *	5.00%	5.00%
Expected Return on Plan Assets	6.72%	7.20%
Attrition Rate	For service period 4 years and below 10% to 25% p.a. For service period of 5 years and above 1% to 7% p.a.	For service period 4 years and below 10% to 25% p.a. For service period of 5 years and above 1% to 7% p.a.

\* Taking into account inflation, seniority, promotion and other relevant factors.

**Demographic Assumptions**

Mortality in Service :

Indian Assured Lives Mortality  
(2012-14) Urban table

Indian Assured Lives Mortality  
(2012-14) Urban table

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**F Sensitivity**

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

	Change in assumption	As at March 31, 2025		As at March 31, 2024	
		Increase in assumption having an impact on present value of plan liability	Decrease in assumption having an impact on present value of plan liability	Increase in assumption having an impact on present value of plan liability	Decrease in assumption having an impact on present value of plan liability
Discount rate	1%	(52.39)	59.28	(54.38)	61.41
Salary Escalation Rate	1%	55.93	(50.37)	58.53	(52.84)
Attrition Rate	1%	6.13	(6.97)	9.09	(10.19)

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

**G. The defined benefit obligations (undiscounted) shall mature after the end of reporting period is as follows:**

	As at March 31, 2025	As at March 31, 2024
1st Following Year	135.19	129.26
2nd Following Year	73.04	76.15
3rd Following Year	101.44	81.56
4th Following Year	123.15	107.44
5th Following Year	113.15	127.29
Sum of Years 6 to 10	357.92	433.23
Thereafter	662.63	717.07

**H. Risk Exposure - Asset Volatility**

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk derivatives to minimize risk to an acceptable level.

**II. Compensated absences**

The compensated absences obligations cover the Company's liability for leave, which is actuarially valued at each year end by applying the assumptions referred in 'E' above.

The amount of the provision of ₹53.88 lakhs (as at March 31, 2024: ₹57.29 lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement of these obligations.

**III. Details of Defined Contribution Plan**

The Company also has certain defined contribution plans. Contributions are made to provident and other funds in India for employees as per regulations. The contributions are made to registered provident fund, ESIC, etc. which are administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plan are ₹352.20 lakhs (Previous year ₹332.49 lakhs) in the Standalone Statement of Profit and Loss.

**42** In accordance with Accounting Standard Ind AS 108 'Operating Segment', segment information has been given in the consolidated financial statements of Zodiac Clothing Company Limited, and therefore, no separate disclosure on segment information is given in these standalone financial statements.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**43 Related Party Disclosures under IND AS 24**

**1. Relationships:**

**Entities where control exists:**

(a) Subsidiary Companies (including step down subsidiaries):

		<b>Ownership Interest</b>	
		<b>March 31, 2025</b>	<b>March 31, 2024</b>
(i) Zodiac Clothing Company S. A.	Switzerland	100	100
(ii) Zodiac Clothing Co (U.A.E.) LLC * (Subsidiary of (i) above)	UAE	100	100
(iii) Zela Technologies Inc (Subsidiary of (i) above) (w.e.f. February 28, 2024)	USA	100	NA
(iv) Zodiac Clothing Company Private Limited (Subsidiary of (i) above) (w.e.f. June 5, 2024)	UK		
(v) Zodiac Clothing Bangladesh Limited (Subsidiary of (ii) above)	Bangladesh	100	100
(vi) Zodiac Clothing Company INC.(Subsidiary of (ii) above)	USA	100	100

**Other related parties:**

(b) (i) Key Management Personnel:

Mr. Salman Yusuf Noorani	Vice Chairman & Managing Director
Mr. Mohamed Awais Jehangir Noorani	Whole Time Director (w.e.f 1st April, 2024)
Mr. Adnan Salman Noorani	Whole Time Director (w.e.f 1st April, 2024)
Mr. Mahabala Bealthur	Chief Financial Officer (CFO)
Mr. Kumar Iyer	Company Secretary

(ii) Non-Executive Directors:

Mr. Mohamed Anees Noorani	Chairman, Non-Executive Director
Mr. Vaman M. Apte	Independent Director
Dr. Naushad Forbes	Independent Director
Ms. Elizabeth Jane Hulse	Independent Director
Amb. Ahmad Javed	Independent Director (w.e.f 24th July, 2024)
Mr. Dilip J. Thakkar	Independent Director (w.e.f 24th July, 2024)
Mr. Subramaniam. R. Iyer	Non-Independent Director (w.e.f 12th August, 2024)
Mr. Y. P. Trivedi	Independent Director (upto 11th August, 2024)
Mr. Bernhard Steinruecke	Independent Director (upto 11th August, 2024)

(c) Relatives of key management personnel with whom the transactions have taken place:

Mr. Awais A. Noorani	Son of Mr. A. Y. Noorani (upto 31st March, 2024)
----------------------	--

(d) Enterprises over which key management personnel and / or their relatives are able to exercise significant influence and with whom transactions have taken place:

Zodiac Metropolitan Clothing Gmbh	Germany
Metropolitan Trading Company	India
Montage Corporation	India
Munraz Enterprises	India
Mustang Manufacturing Company	India
Mashal Enterprises	India
Miraj Marketing Company LLP	India

(e) Trust

Zodiac Clothing Co. Ltd. EMPL GGCA Scheme

\* The shareholders of the company are Mrs. Muna Mahmood Mohd. Mahmoud (51%) and M/s. Zodiac Clothing Co S.A. (49%). As per the mutual agreement between the shareholders, Mrs. Muna Mahmood Mohd. Mahmoud is holding 51% shares for and on behalf of M/s. Zodiac Clothing Co S.A. who is the beneficial owner.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**43 Related Party Disclosures under IND AS 24 (Contd....)**

**2. Transactions carried out with related parties referred in 1 above, in ordinary course of business:**

Nature of transactions	Referred in 1(a) above		Referred in 1(b) above		Referred in 1(c) above		Referred in 1(d) above		Referred in 1(e) above	
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
<b>Revenue from contracts with customers</b>										
Sale of Goods and Services	390.27	529.43	-	-	-	-	-	-	560.40	831.70
<b>Other Income</b>										
Rent	-	-	-	-	-	-	-	-	9.00	9.00
Employees benefit expenses *	-	-	73.01	-	-	-	49.10	-	-	-
Interest Expense	-	-	16.10	1.33	-	-	-	-	-	-
<b>Other Expenses</b>										
Rent	-	-	22.85	22.34	-	-	-	-	112.69	109.54
Commission to selling agents	-	-	-	-	-	-	-	-	22.27	151.73
Director Fees	-	-	24.20	26.80	-	-	-	-	-	-
Trade Mark Fees	-	-	-	-	-	-	-	-	68.33	61.27
<b>Others</b>										
Reimbursement of Expenses from	2.70	3.16	-	-	-	-	-	-	1.13	6.79
Reimbursement of Expenses to	-	-	-	-	-	-	-	-	13.70	4.67
<b>Purchase of Property, Plant &amp; Equipment</b>										
Gratuity Fund contribution	-	-	-	-	-	-	-	-	-	40.01
Loan Received	-	-	440.00	39.00	-	-	-	-	-	3.48

\* This aforesaid amount does not include amount in respect of gratuity and compensated absences as the same is not determinable on individual basis and hence considered for disclosure on payment basis.

**3. Balances with related parties referred in 1 above, in ordinary course of business:**

Nature of transactions	Referred in 1(a) above		Referred in 1(b) above		Referred in 1(c) above		Referred in 1(d) above		Referred in 1(e) above	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
<b>Outstandings:</b>										
Current borrowings	-	-	42.42	42.42	-	-	479.00	39.00	-	-
Trade Payables	-	-	-	-	58.54	40.16	81.06	502.35	-	343.96
Other Current Liabilities										
- Employee benefits payable										
- Contract Liabilities - Advance from customers										
- Other Current Financial Liabilities										
- Interest accrued but not due										
- Other Non Current financial asset (Security Deposit given)									33.00	45.50
- Trade Receivables									-	63.94
- Other Current Financial Assets										392.08
	116.97	-	114.26	-	-	-	-	-	-	-



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A "Silk Touch". Embellished With Our Trademark Mother Of Pearl "Trinity" Buttons

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**43 Related Party Disclosures under IND AS 24 (Contd....)**

**4. Disclosure in respect of material transactions with related parties during the year (included in 2 above)**

		<b>Year ended March 31, 2025</b>	<b>Year ended March 31, 2024</b>
Revenue from contracts with customers:			
- Zodiac Clothing Co (U.A.E.) LLC		32.26	68.37
- Zodiac Clothing Company INC.		358.01	461.06
- Zodiac Metropolitan Clothing GmbH		552.50	778.87
- Mashal Enterprises		7.90	52.83
Other Income:			
Rent			
- Metropolitan Trading Company		9.00	9.00
Expenses:			
Employee benefit expenses			
- Mr. Awais A. Noorani		49.10	49.10
- Mr. Adnan Noorani		23.91	-
Interest expense			
- Mr. A. Y. Noorani		8.05	0.67
- Mr. S. Y. Noorani		8.05	0.67
Rent Expense			
- Metropolitan Trading Company		89.44	87.06
- Mustang Manufacturing Company		-	4.13
- Munraz Enterprises		-	17.34
- Montage Corporation		1.01	1.01
- Mr. A. Y. Noorani		11.42	11.17
- Mr. S. Y. Noorani		11.42	11.17
- Mashal Enterprises		22.24	-
Commission to selling agents			
- Zodiac Metropolitan Clothing GmbH		227.27	151.73
Director Fees			
- Mr. V. M. Apte		7.00	7.30
- Mr. Y. P. Trivedi		2.50	6.90
- Mr. S. R. Iyer		6.20	7.30
- Mr. Bernhard Steunruecke		1.00	2.90
- Dr. Naushad Forbes		0.90	1.90
- Ms. Elizabeth Jane Hulse		0.50	0.50
- Amb. Ahmed Javed		1.70	-
- Mr. Dilip J Thakkar		4.40	-
Trade Mark Fees			
- Metropolitan Trading Company		68.33	61.27
Others			
Reimbursement of Expenses from			
- Zodiac Clothing Company INC.		-	1.35
- Zodiac Clothing Bangladesh Limited		2.70	1.81
- Mashal Enterprises		1.13	6.79
Reimbursement of Expenses to			
- Munraz Enterprises		5.64	4.67
- Metropolitan Trading Company		8.06	-
Gratuity Fund contribution			
- Zodiac Clothing Co. Ltd. EMPL GGCA Scheme		40.01	3.48
Loan Received			
- Mr. A. Y. Noorani		220.00	19.50
- Mr. S. Y. Noorani		220.00	19.50

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**43 Related Party Disclosures under IND AS 24 (Contd....)**

**5. Disclosure in respect of material Outstanding balances with related parties as at year end (included in 3 above)**

		<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
<b>Outstandings:</b>			
<b>Current Borrowings</b>			
- Mr. A. Y. Noorani		239.50	19.50
- Mr. S. Y. Noorani		239.50	19.50
<b>Trade Payables</b>			
- Zodiac Clothing Co (U.A.E.) LLC.		42.42	42.42
- Zodiac Metroplitan Clothing Gmbh		152.64	32.92
- Metropolitan Trading Company		263.00	230.79
- Munraz Enterprises		63.39	68.57
- Montage Corporation		3.72	2.70
- Mustang Manufacturing Company.		6.48	8.98
- Mr. A. Y. Noorani - Payable for Rent		26.10	16.18
- Mr. S. Y. Noorani - Payable for Rent		32.44	20.10
- Director Sitting Fees		-	3.87
- Mashal Enterprises		13.11	-
<b>Other Current Liabilities - Employee benefits payable</b>			
- Mr. S. Y. Noorani - Remuneration		81.06	81.06
<b>Contract Liabilities - Advance from customers</b>			
- Zodiac Clothing Company INC.		96.23	28.40
<b>Other Current Financial Liabilities - Interest accrued but not due</b>			
- Mr. A. Y. Noorani - Payable for Interest		6.00	0.47
- Mr. S. Y. Noorani - Payable for Interest		7.84	0.60
<b>Security Deposit</b>			
- Metropolitan Trading Company		33.00	33.00
- Munraz Enterprises		-	10.00
- Mustang Manufacturing company		-	2.50
<b>Trade Receivables</b>			
- Zodiac Metropolitan Clothing Gmbh		63.94	391.36
- Mashal Enterprises		-	0.72
<b>Other Current Financial Assets</b>			
<b>- Other Advances</b>			
- Zodiac Clothing Co (U.A.E.) LLC		-	112.45
<b>- Other Receivable</b>			
- Zodiac Clothing Bangladesh Limited		-	1.81

**Terms and Conditions:**

Transactions were done in ordinary course of business and on normal terms and conditions.

Outstanding balances are unsecured and repayable in cash.

Refer Note 39(ii)(b) in respect of transfer of Investment commitment by the Company to a related party.

**44 Fair Value Measurement:**

**(i) Financial Instrument by category and hierarchy.**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

1. Fair value of trade receivables, cash and cash equivalents, other bank balances, other current financial assets, current loans, trade payables and other current financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values for loans (security deposits) were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk. The interest rate on term deposits is at the prevailing market rates. Accordingly, fair value of such instrument is not materially different from their carrying amounts.

The interest rate on borrowing is at the prevailing market rates. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

**The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:**

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

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

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

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**  
 (All amounts are in ₹ Lakhs, unless otherwise stated)

Financial Assets and Liabilities as at March 31, 2025	Non Current	Current	Total	Fair Value through Profit and Loss			Fair Value through OCI			Carried at amortised cost	Total Amount
				Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	
<b>Financial Assets</b>											
<b>Investments</b>											
- Equity instruments *	1,313.03	-	1,313.03	-	-	-	1,313.03	-	-	1,313.03	-
- Mutual funds	-	221.15	221.15	-	221.15	-	-	-	-	-	221.15
- Venture capital fund	2,296.25	-	2,296.25	-	2,296.25	2,296.25	-	-	-	-	2,296.25
<b>3,609.28</b>	<b>221.15</b>	<b>3,830.43</b>	<b>221.15</b>		<b>2,296.25</b>	<b>2,517.40</b>	<b>1,313.03</b>			<b>1,313.03</b>	<b>3,830.43</b>
<b>Other Assets</b>											
- Loans to Employees	12.65	9.48	22.13	-	-	-	-	-	-	-	22.13
- Derivative financial instruments	-	17.70	17.70	-	9.14	-	9.14	-	-	8.56	-
- Other Financial Assets	927.85	330.50	1,258.35	-	-	-	-	-	-	-	1,258.35
- Trade receivable	-	2,106.74	2,106.74	-	-	-	-	-	-	-	2,106.74
- Cash and Cash equivalents	-	102.33	102.33	-	-	-	-	-	-	-	102.33
- Bank Balances other than cash and cash equivalents	-	1.11	1.11	-	-	-	-	-	-	-	1.11
<b>940.50</b>	<b>2,567.86</b>	<b>3,508.36</b>	<b>-</b>	<b>9.14</b>	<b>-</b>	<b>9.14</b>	<b>-</b>	<b>8.56</b>	<b>-</b>	<b>8.56</b>	<b>3,490.66</b>
<b>Financial Liabilities</b>											
<b>Borrowings</b>											
- Borrowings	-	4,621.37	4,621.37	-	-	-	-	-	-	-	4,621.37
- Other Financial Liabilities	65.97	238.98	304.95	-	-	-	-	-	-	-	304.95
- Trade Payables	-	3,941.46	3,941.46	-	-	-	-	-	-	-	3,941.46
<b>65.97</b>	<b>8,801.81</b>	<b>8,867.78</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,867.78</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**  
 (All amounts are in ₹ Lakhs, unless otherwise stated)

Financial Assets and Liabilities as at March 31, 2025	Non Current	Current	Total	Fair Value through Profit and Loss			Fair Value through OCI			Carried at amortised cost	Total Amount
				Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	
<b>Financial Assets</b>											
<b>Investments</b>											
- Equity instruments *	1,744.68	-	1,744.68	-	-	-	-	1,744.68	-	-	1,744.68
- Mutual funds	-	2,068.18	2,068.18	2,068.18	-	-	2,068.18	-	-	-	2,068.18
- Venture capital fund	2,543.26	-	2,543.26	-	2,543.26	2,543.26	-	-	-	-	2,543.26
<b>4,287.94</b>	<b>2,068.18</b>	<b>6,556.12</b>	<b>2,068.18</b>	<b>-</b>	<b>2,543.26</b>	<b>4,611.44</b>	<b>1,744.68</b>	<b>-</b>	<b>-</b>	<b>1,744.68</b>	<b>6,356.12</b>
<b>Other Assets</b>											
- Loans to Employees	10.09	5.36	15.45	-	-	-	-	-	-	-	15.45
- Derivative financial instruments	-	5.96	5.96	-	1.67	-	1.67	-	-	4.29	-
- Other Financial Assets	949.88	313.28	1,263.16	-	-	-	-	-	-	-	1,263.16
- Trade receivable	-	2,248.98	2,248.98	-	-	-	-	-	-	-	2,248.98
- Cash and Cash equivalents	-	89.10	89.10	-	-	-	-	-	-	-	89.10
- Bank Balances other than cash and cash equivalents	-	1.87	1.87	-	-	-	-	-	-	-	1.87
<b>959.97</b>	<b>2,664.35</b>	<b>3,624.52</b>	<b>-</b>	<b>1.67</b>	<b>-</b>	<b>1.67</b>	<b>-</b>	<b>4.29</b>	<b>-</b>	<b>4.29</b>	<b>3,624.52</b>
<b>Financial Liabilities</b>											
- Borrowings	-	4,044.14	4,044.14	-	-	-	-	-	-	-	4,044.14
- Other Financial Liabilities	62.60	216.23	278.83	-	-	-	-	-	-	-	278.83
- Trade Payables	-	3,464.92	3,464.92	-	-	-	-	-	-	-	3,464.92
<b>62.60</b>	<b>7,725.29</b>	<b>7,787.89</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,787.89</b>



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With Our Trademark Vintage Wash, For A Luxurious Super Soft Hand Feel

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**(ii) Fair value of financial assets and liabilities measured at amortised cost:**

Foreign currency	As at March 31, 2025		As at March 31, 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>				
Investment Others				
- Loans to Employees	22.13	20.30	15.45	14.17
- Security Deposits	903.88	1,064.98	923.08	1,066.45
<b>Total</b>	<b>926.01</b>	<b>1,085.28</b>	<b>938.53</b>	<b>1,080.62</b>

\* The above disclosure excludes non-current investment in subsidiary that is accounted at cost and hence not considered.

**(iii) Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices for quoted shares and mutual funds
- the fair value of forward exchange contracts is determined using forward exchange rates at the balance sheet date
- net asset value ('NAV') / fair market value ('FMV') are determined based on audited standalone financial statements / valuation reports / NAV / FMV provided by fund manager
- the fair value of remaining financial instrument is determined using discounted cash flow analysis.

**(iv) Fair value measurements using significant unobservable inputs (level 3)**

The following table presents the changes in level 3 items for the periods ended March 31, 2025 and March 31, 2024:

	Venture Capital Fund*
<b>As at March 31, 2023 (Refer note 8)</b>	<b>3,695.95</b>
Acquisitions	-
Disposal	(1,244.30)
Gain recognised in statement of profit and loss	91.61
<b>As at March 31, 2024 (Refer note 8)</b>	<b>2,543.26</b>
Acquisitions	-
Disposal	(415.75)
Gain recognised in statement of profit and loss	168.74
<b>As at March 31, 2025 (Refer note 8)</b>	<b>2,296.25</b>

\*The Company has invested in following funds and these funds have been further invested into various companies.

1. Faering Capital India Evolving Fund
2. Paragon Partners Growth Fund - I
3. Faering Capital India Evolving Fund II
4. Tata Capital Growth Fund
5. Tata Capital Healthcare Fund

The Company has considered fair market values based on audited standalone financial statement and/or valuation reports and/or NAV / FMV statements provided by venture capital fund.

Investment commitment in respect of venture capital funds are on "as needed" basis and will be at face value.

[Refer Note 39(ii)(b)]



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## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 45 Financial Risk Management:

#### Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Management.

#### (A) Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, future committed transactions, foreign currency receivables, payables, borrowings etc.

The Company manages market risk through its finance department (headed by CFO), which evaluates and exercises independent control over the entire process of market risk management. The finance department recommend risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures like foreign exchange forward contracts, option contracts, borrowing strategies and ensuring compliance with market risk limits and policies.

#### Market Risk- Interest rate risk.

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio, which could vary on either side based on current interest rates scenario.

According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

#### Exposure to interest rate risk

Particulars	As at March 31, 2025	As at March 31, 2024
Total Borrowings	4,621.37	4,044.14
% of Borrowings out of above bearing variable rate of interest	100.00%	93.60%

#### Interest rate sensitivity

#### A change of 50 bps in interest rates would have following Impact on Profit / loss before tax

Particulars	2024-2025	2023-2024
50 bp increase- increase in loss *	23.11	18.93
50 bp decrease- decrease in loss *	(23.11)	(18.93)

\* \* Sensitivity is calculated based on the assumption that amount outstanding as at reporting dates were utilised for the whole financial year.

#### Market Risk- Foreign currency risk

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales, purchases etc. in various foreign currencies. The Company evaluates exchange rate exposure arising from foreign currency transactions and the Company follows established risk management policies, including the use of derivatives like foreign exchange forward contracts and option contracts to hedge exposure to foreign currency risk.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**Derivative instruments and unhedged foreign currency exposure**

**(a) Derivative outstanding as at the reporting date**

Foreign currency	As at March 31, 2025		As at March 31, 2024		(Foreign Currency in Lakhs)
	Sell Contract	Buy Contract	Sell Contract	Buy Contract	
Forward Contracts USD	76.33	-	69.55	-	
Forward Contracts EURO	6.78	-	6.37	-	
Forward Contracts GBP	0.67	-	6.13	-	

Derivative financial instruments such as foreign exchange forward and option contracts are used for hedging purposes and not as trading or speculative instruments. The Company designates these hedging instruments as cash flow hedges to hedge foreign currency risk in cash flow from firm commitment (sales order / purchase order).

**(b) Particulars of unhedged foreign currency exposures as at the reporting date**

Particulars	As at March 31, 2025			As at March 31, 2024			(Foreign Currency in Lakhs)
	USD	EURO	GBP	USD	EURO	GBP	
Trade payables	6.14	*0.00	-	4.83	-	-	

**(Foreign Currency in Lakhs)**

Particulars	As at March 31, 2025			As at March 31, 2024		
	USD	EURO	GBP	USD	EURO	GBP
Trade Receivables	13.91	7.74	0.59	14.09	5.95	3.80

\*Amount is below the rounding off adopted by the company.

**Foreign Currency Risk Sensitivity**

**A change of 5% in Foreign currency would have following Impact on loss before tax**

Particulars	2024-25		2023-24	
	5% Increase	5% decrease	5% Increase	5% decrease
USD	(32.39)	32.39	(38.60)	38.60
EURO	(34.92)	34.92	(26.84)	26.84
GBP	(3.12)	3.12	(20.01)	20.01
<b>Increase / (decrease) in loss</b>	<b>(70.43)</b>	<b>70.43</b>	<b>(85.45)</b>	<b>85.45</b>

**Market Risk- Price Risk**

**(a) Exposure**

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through Other Comprehensive Income. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of portfolio is done in accordance with limits set by the Company.

**(b) Sensitivity**

(i)The table below summarises the impact of increases/decreases of the BSE index on the Company's equity and other comprehensive income for the year arising from portfolio of investment in equity shares of listed companies. The analysis is based on the assumption that the index has increased by 10 % or decreased by 10 % with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

Particulars	Impact on Other Comprehensive Income	
	March 31, 2025	March 31, 2024
BSE Sensex 30- Increase 10%	131.30	174.47
BSE Sensex 30- Decrease 10%	(131.30)	(174.47)

Above referred sensitivity pertains to quoted equity investment (Refer Note 8). Other Comprehensive Income for the year would increase/ (decrease) as a result of gains/losses on equity securities as at fair value through Other Comprehensive Income.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

(ii) The table below summarises the impact of increases/decreases in the net asset value (NAV) / fair market value (FMV) of Company's investment in venture capital fund units and statement of profit and loss for the year arising from portfolio of investment in venture capital funds. The analysis is based on the assumption that the NAV / FMV has increased by 10% or decreased by 10% with all other variables held constant, and that all the Company's venture capital funds moved in same direction.

Particulars	Impact on loss before tax*	
	March 31, 2025	March 31, 2024
- Increase 10%	229.63	254.33
- Decrease 10%	(229.63)	(254.33)

\*Loss before tax would change as a result of gain/loss on financial instruments classified as at fair value through profit and loss.

(iii) The table below summarises the impact of increases/decreases in the net asset value (NAV) of Company's investment in mutual fund units and statement of profit and loss for the year arising from portfolio of investment in mutual funds. The analysis is based on the assumption that the NAV has increased by 10% or decreased by 10% with all other variables held constant, and that all the Company's mutual funds moved in same direction.

Particulars	Impact on loss before tax*	
	March 31, 2025	March 31, 2024
- Increase 10%	22.12	206.82
- Decrease 10%	(22.12)	(206.82)

\*Loss before tax would change as a result of gain/loss on financial instruments classified as at fair value through profit and loss.

**(B) Credit risk**

Credit risk is the risk of incurring a loss that may arise from a borrower or debtor failing to make required payments. Credit risk arises mainly from trade receivables, cash and cash equivalents, deposit with banks, derivative financial instruments, investments, loan to employee and security deposits. The Company manages and analyses the credit risk for each of its new customers before standard payment and delivery terms and conditions are offered.

Credit risk on cash and cash equivalents, deposit with banks, derivative financial instruments and investment is limited as Company generally deals with banks and financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in liquid mutual and accredited venture fund.

While loans and security deposits for rental premises are subjected to the impairment requirement of Ind AS 109, the identified impairment loss was immaterial.

(i) Credit risk management:

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instrument, which requires expected lifetime losses to be recognised from initial recognition of the receivables. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

Sale to retail customers are required to be settled in cash or using major cards, mitigating credit risk. There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors or regions.

In respect of sales to export customers, there are no past history of losses, thus the identified expected credit loss was immaterial.

Credit risk for domestic trade receivable is managed by the Company through credit approvals, establishing credit limits and periodic monitoring of the creditworthiness of its customers to which the Company grants credit terms in the normal course of business.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**Loss allowance for expected credit losses**

**The Company provides for expected credit loss on trade receivables under simplified approach**

**As at March 31, 2025**

Ageing	Total
Gross carrying amount	446.02
Expected Credit loss - measured at life -time expected credit loss	398.60
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>47.42</b>

**As at March 31, 2024**

Ageing	Total
Gross carrying amount	457.56
Expected Credit loss - measured at life -time expected credit loss	398.60
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>58.96</b>

**Reconciliation of loss allowance – Trade receivables**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Opening provision</b>	398.60	398.60
Add:- Additional provision made	-	-
<b>Closing provisions</b>	<b>398.60</b>	<b>398.60</b>

No Significant changes in estimation techniques or assumptions were made during the year.

**Significant estimates and judgements:**

Impairment of financial assets

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

**(C) Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company's finance department maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

**(i) Financing arrangements**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2025	As at March 31, 2024
Floating Rate		
Expiring within one year (Current Borrowing facilities)	889.63	1,259.74
Expiring beyond one year (bank loans)	-	-

The bank loan facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the non-continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time.



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**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**(ii) Maturity patterns of borrowings**

Particulars	As at March 31, 2025				As at March 31, 2024			
	0-1 years	1-5 years	beyond 5 years	Total	0-1 years	1-5 years	beyond 5 years	Total
Non current borrowings (Including current maturity of long term debt)	-	-	-	-	258.78	-	-	258.78
Current borrowings	4,621.37	-	-	4,621.37	3,785.36	-	-	3,785.36
<b>Total</b>	<b>4,621.37</b>	<b>-</b>	<b>-</b>	<b>4,621.37</b>	<b>4,044.14</b>	<b>-</b>	<b>-</b>	<b>4,044.14</b>

**Maturity patterns of Financial Liabilities - other than borrowings**

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

As at March 31, 2025	0 - 3 months	3 - 6 months	6 - 12 months	beyond 12 months	Total
Trade Payable	3,342.50	242.24	82.81	273.91	3,941.46
Lease Liabilities	290.79	209.72	431.12	3,873.01	4,804.63
Other Financial Liabilities	127.25	63.36	19.98	94.36	304.95
<b>Total</b>	<b>3,760.54</b>	<b>515.32</b>	<b>533.91</b>	<b>4,241.28</b>	<b>9,051.04</b>

As at March 31, 2024	0 - 3 months	3 - 6 months	6 - 12 months	beyond 12 months	Total
Trade Payable	2,975.07	131.63	358.22	-	3,464.92
Lease Liabilities	287.27	279.39	526.25	3,466.43	4,559.34
Other Financial Liabilities	129.90	73.20	1.07	74.65	278.82
<b>Total</b>	<b>3,392.24</b>	<b>484.22</b>	<b>885.54</b>	<b>3,541.08</b>	<b>8,303.08</b>

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**45 Financial risk management (contd.)**

**Impact of Hedging Activities**

**(a) Disclosure of effects of hedge accounting on financial position:**

**Cash flow hedge of Foreign exchange risk as at March 31, 2025:**

Particulars	Nominal value	Carrying amount of hedging instrument	Hedge ratio*	Changes in fair value of hedging instrument	Change in the value of hedged item used as a basis for recognising hedge effectiveness
Foreign exchange forward contracts - SELL	7,285.72	11.87	1:1	11.87	11.87

**Cash flow hedge of Foreign exchange risk as at March 31, 2024:**

Particulars	Nominal value	Carrying amount of hedging instrument	Hedge ratio*	Changes in fair value of hedging instrument	Change in the value of hedged item used as a basis for recognising hedge effectiveness
Foreign exchange forward contracts - SELL	7,019.22	5.96	1:1	5.96	5.96

**(b) Disclosure of effects of hedge accounting on financial performance:**

**Cash flow hedge March 31, 2025**

Particulars	Change in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedging reserve to statement of profit and loss	Line item affected in the statement of profit and loss because of the reclassification
Foreign exchange risk	11.87	-	(5.96)	Revenue
	<b>11.87</b>	-	<b>(5.96)</b>	

**Cash flow hedge March 31, 2024**

Particulars	Change in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedging reserve to statement of profit and loss	Line item affected in the statement of profit and loss because of the reclassification
Foreign exchange risk	5.96	-	1.41	Revenue
	<b>5.96</b>	-	<b>1.41</b>	

Amount in bracket represents expense/ loss

\*The foreign exchange forward contracts and option contract are denominated in the same currency as the firm commitment (sales order/purchase orders), therefore the hedge ratio is 1:1.

The Company's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Company enters into hedge relationships where the critical terms of hedging instrument match exactly with the terms of the hedged items, and so a qualitative assessment of effectiveness is performed.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**Movements in cash flow hedging reserve**

Derivative Instrument	Foreign exchange forward contracts - SELL	Foreign exchange forward contracts - BUY	Foreign exchange options	Total
<b>Balance – As at March 31, 2023</b>	<b>(1.03)</b>	-	-	<b>(1.03)</b>
Change in fair value of foreign exchange forward contract	5.96	-	-	<b>5.96</b>
Change in intrinsic value of foreign currency options	-	-	-	-
Amount reclassified to profit or loss	1.41	-	-	<b>1.41</b>
Deferred tax relating to the above (net)	(2.05)	-	-	<b>(2.05)</b>
<b>Balance – As at March 31, 2024</b>	<b>4.29</b>	-	-	<b>4.29</b>
Change in fair value of foreign exchange forward contract	11.87	-	-	<b>11.87</b>
Change in intrinsic value of foreign currency options	-	-	-	-
Amount reclassified to profit or loss	(5.96)	-	-	<b>(5.96)</b>
Deferred tax relating to the above (net)	(1.64)	-	-	<b>(1.64)</b>
<b>Balance – As at March 31, 2025</b>	<b>8.56</b>	-	-	<b>8.56</b>

Amount in bracket represents expense/ loss

**46 Capital Management:**

The Company aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to the shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The Company's management monitors the return on capital as well as the level of dividends to shareholders.

**47** (a) The Code on Social Security, 2020 ('Code') relating to employee benefits received Presidential assent in September 2020. However, the date on which the Code will come into effect has not yet been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

(b) No Significant Subsequent events have been observed which may require an adjustments to the standalone financial statements..

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**48 Additional Regulatory Information as required by Schedule III:**

**a) Analytical Ratios:**

<b>Sr. No.</b>	<b>Ratio</b>	<b>Numerator</b>	<b>Denominator</b>	<b>March 31, 2025</b>	<b>March 31, 2024</b>	<b>% Variance</b>
(i)	Current ratio	Total current assets	Total current liabilities	1.15	1.41	-19%
(ii)	Debt-Equity ratio (in times)	Total Debt (Non Current and Current- Borrowings and Lease Liabilities)	Total equity	0.52	0.39	36%
(iii)	Debt Service Coverage ratio	Earning for Debt Service = Loss for the year + Depreciation and ammortisation expenses + Finance cost	Debt service = Finance cost + Principal repayment of lease liabilities and non-current borrowing	(0.03)	(0.46)	-94%
(iv)	Return on Equity ratio (%)	Loss for the year	Average shareholder's equity	-20.01%	-14.55%	37%
(v)	Inventory turnover ratio	Cost of goods sold= Cost of materials consumed + Purchases of stock-in-trade + Changes in inventories of finished goods, stock-in-trade and work-in progress	Average inventories	1.18	1.02	15%
(vi)	Trade Receivables turnover ratio	Revenue from operations (excluding export incentives)	Average trade receivables	7.67	5.92	30%
(vii)	Trade payables turnover ratio	Purchase of Raw Materials+ Purchases of stock-in-trade+ Other expenses	Average trade payables	4.10	4.16	-1%
(viii)	Net capital turnover ratio	Revenue from operations	Average working capital	6.28	2.65	137%
(ix)	Net profit ratio (%)	Loss for the year	Total Income	-21.80%	-22.99%	-5%
(x)	Return on capital employed (%)	Earning before interest and taxes	Capital employed = Tangible Net Worth (Total equity) + Total Debt	-9.73%	-9.20%	6%
(xi)	Return on investment (%)	Net gain on fair value / sale of financial assets measured at fair value through profit or loss + Equity Instruments through Other Comprehensive Income	Average investments (Non-current and Current)	-4.06%	7.58%	-154%

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**Reasons for variance of more than 25% in above ratios -**

<b>Sr. No.</b>	<b>Ratio</b>	<b>Reasons for the Variances</b>
(a)(2)	Debt-Equity ratio	The Change in ratio compared to previous year is due to increase in Lease liabilities and decrease in Net Worth.
(a)(3)	Debt Service Coverage ratio	Earnings for debt service changed due to decrease in loss in current year as compared to previous year.
(a)(4)	Return on Equity ratio	The Change in ratio compared to previous year is due to loss in the year.
(a)(6)	Trade receivables turnover ratio	The Change in ratio compared to previous year is due to increase in sales and decrease in Trade receivables.
(a)(8)	Net capital turnover ratio	The Change in ratio compared to previous year is due to increase in Turnover.
(a)(11)	Return on investment	Due to change in market condition returns on investments in venture funds and equity instruments has decreased.

**b) Details of benami property held:**

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

**c) Borrowing secured against current assets:**

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

**d) Wilful defaulter:**

Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

**e) Relationship with struck off companies:**

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

**f) Compliance with number of layers of companies:**

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

**g) Compliance with approved scheme(s) of arrangements:**

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

**h) Utilisation of borrowed funds and share premium:**

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i). 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

(ii). provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(i). 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

(ii). provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

**i) Undisclosed income:**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

**j) Details of crypto currency or virtual currency:**

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

**k) Valuation of PPE, intangible asset and investment property:**

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

**l) Registration of charges or satisfaction with Registrar of Companies:**

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

**m) Utilisation of borrowings availed from banks and financial institutions:**

The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**n) Title deeds of immovable properties not held in name of the Company:**

The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company except given below -

Description of Property	Gross Carrying Value	Held in the name of *	Whether Promoter, Director or their relative or employee	Period held	Reason for not being in the Company's name
Leasehold land (pertaining to factory at Umbergaon)	1.69	Merino Knitting Industries	None	Since August 2003	Acquired pursuant to scheme of amalgamation. Management has initiated the process of getting the name transferred in Company's name

**o) The Company's international transactions and domestic transactions with related parties are at arm's length as per the independent accountants report for the year ended 31 March 2024. Management believes that the Company's international transactions and domestic transactions with related parties for the year ended 31 March 2025 and post 31 March 2025 continue to be at arm's length and that the transfer pricing legislation will not have any impact on these standalone financial statements, particularly on amount of tax expense and that of provision for taxation.**

**49** There are no significant subsequent events that would require adjustments or disclosures in the Standalone Financial Statements as on balance sheet date.

**50** The Company has used an accounting software for maintaining its books of account during the current year which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in previous year.

The Company has used revenue accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except that no audit trail feature was enabled at the database level in respect of an accounting software to log any direct data changes.

Further, where enabled, audit trail feature has been operated for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the previous year.

**51** These Standalone Financial Statements were authorised for issue by the Directors on May 28, 2025.

As per our report of even date

**For M S K A & Associates**

Chartered Accountants

Firm Registration Number: 105047W

**Ankush Agrawal**

Partner

Membership No. 159694

Mumbai

Date: May 28, 2025

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

**Zodiac Clothing Company Limited**

CIN: L17100MH1984PLC033143

**S. Y. NOORANI**

Vice Chairman and

Managing Director

DIN: 00068423

**AWAIS J. NOORANI**

Executive Director - Exports

DIN: 00951424

**B. MAHABALA**

Chief Financial Officer

Mumbai

Date: May 28, 2025

**KUMAR IYER**

Company Secretary

Membership No. ACS9600



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## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF ZODIAC CLOTHING COMPANY LIMITED

#### Report on the Audit of the Consolidated Financial Statements

##### Opinion

We have audited the accompanying Consolidated Financial Statements of Zodiac Clothing Company Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss including Other Comprehensive Loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on Consolidated Financial Statements of subsidiaries, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2025, and of consolidated loss (including other comprehensive loss), consolidated changes in equity and its consolidated cash flows for the year then ended.

##### Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs 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 Group in accordance with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and on consideration of audit reports of other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

##### 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 for the year ended March 31, 2025. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No.	Key audit matter	How the key audit matter was addressed in our audit
1.	<b>Recoverability of Deferred Tax Assets</b> (Refer Note 37 to the Consolidated Financial Statements) The carrying value of deferred tax assets is 1,029.45 Lakhs as at March 31, 2025. Deferred tax assets are recognised on unabsorbed depreciation and other deductible temporary differences as it is considered to be recoverable based on the Holding Company's projected future taxable income, in line with Ind AS 12-Income Taxes. We considered this as a Key Audit Matter due to uncertainties and significant judgement required by the Management in preparation of projected future taxable income considering the underlying assumptions such as fair value of immovable properties, as also assessed by an external registered valuer.	<p>Our audit procedures with respect to this matter included, but were not limited to, the following:</p> <ul style="list-style-type: none"><li>Obtained an understanding, evaluated design and operating effectiveness of the relevant key controls over recording and review of deferred tax at each reporting date.</li><li>Reviewed the Holding Company's accounting policy in respect of recognizing deferred tax asset on temporary differences, unabsorbed business loss and unabsorbed depreciation</li><li>Evaluated the judgements and assumptions made by the Management in determining the projected future taxable income for reasonableness.</li><li>We tested the computation of the amounts recognized as deferred tax assets and assessed the appropriateness of tax rate applied to the projected future taxable income.</li><li>Evaluated the competence, capabilities and objectivity of the external registered valuer engaged by the Management.</li><li>We engaged our valuation experts to assess the appropriateness of the valuation methodology, evaluate the key underlying assumptions, and verify the accuracy of the input data (such as description, area) used in the valuation report of the immovable properties.</li><li>We involved our tax experts to review the utilization of available tax benefits against projected future taxable income in line with applicable tax laws, and the resulting recognition of deferred tax assets.</li><li>Reviewed the adequacy of disclosures made in the Consolidated Financial Statements with regards to deferred taxes.</li></ul>

Sr. No.	Key audit matter	How the key audit matter was addressed in our audit
2.	<p><b>Assessment of carrying value of property, plant and equipment</b>            (Refer to Note 4(a) in the Consolidated Financial Statements)</p> <p>The carrying value of Assets is 8,724.40 Lakhs as at March 31, 2025, which is significant to the balance sheet. The Management has assessed whether there are any indications for impairment of assets considering internal and external sources of information, as per Ind AS 36 Impairment of Assets.</p> <p>For the purposes of impairment testing, the carrying value of the cash generating unit (CGU) was compared to the recoverable amount of CGU. The Company has applied fair value less costs of disposal method in determining the recoverable value of CGU. In this connection, the Management has engaged an external registered valuer to determine the fair value of immovable properties and, the fair value of other assets were determined on the basis of management's judgement and estimates. Based on the assessment, the Management has concluded that no impairment was required as of March 31, 2025.</p> <p>Considering significant carrying value of Assets, involvement of valuation expert, judgment and estimates made by Management, we have considered this as a Key Audit Matter.</p>	<p>We have performed audit procedures including the following:</p> <ul style="list-style-type: none"> <li>Obtained an understanding, evaluated design and operating effectiveness of the relevant key controls relating to impairment assessment including determining recoverable value of Assets.</li> <li>Assessed whether the Holding Company's identification of CGU is appropriate.</li> <li>Perused the report issued by the external professional valuer engaged by the management.</li> <li>Evaluated the competence, capabilities and objectivity of the external registered valuer engaged by the Management for valuation of immovable properties.</li> <li>We engaged our valuation experts to assess the appropriateness of the valuation methodology, evaluate the key underlying assumptions, and verify the accuracy of the input data (such as description, area) used in the valuation report of the immovable properties.</li> <li>Evaluated the reasonableness of assumptions applied by management, in determining the fair value of other assets.</li> <li>Performed sensitivity analysis over the key assumptions, to assess the potential impact on impairment results and the range of possible outcomes of recoverable value of Assets.</li> <li>Reviewed the adequacy of disclosures made in the Consolidated Financial Statements.</li> </ul>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Director's Report including Annexure to Board's Report but does not include the Consolidated Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the 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.

#### **Responsibilities of Management and Board of Directors for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance

with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; the 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 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, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

#### **Auditors' Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing ("SAs") will always detect a material misstatement when it exists. Misstatements can

arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

#### **Other Matters**

- a. We did not audit the financial statements of four subsidiaries, whose financial statements reflect total assets of ₹4,568.78 lakhs as at March 31, 2025, total revenues of ₹548.12 lakhs and net cash outflows amounting to ₹85.64 lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors. All of these subsidiaries are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.
- b. We did not audit the financial statements of one subsidiary, located outside India, whose financial statements reflect total assets of ₹27.54 lakhs as at March 31, 2025, total revenues of ₹Nil lakhs and net cash flows amounting to ₹9.16 lakhs for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, this financial statements are not material to the Group

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the Consolidated Financial Statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable, 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 of the aforesaid Consolidated Financial Statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books, except that the back-up of the books of account and other books and papers maintained in electronic mode by the Holding Company located in India has neither been taken on a daily basis as explained in Note 51 to the Consolidated Financial Statements and also for the matters stated in the paragraph 2 (h)(vi) below on reporting under Rule 11(g).
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive loss, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
  - (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act
  - (f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 1 (b) above on reporting under Section 143(3)(b) and paragraph 1 (h)(vi) below on reporting under Rule 11(g).
  - (g) With respect to the adequacy of internal financial controls with reference to Consolidated Financial Statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated

financial position of the Group – Refer Note 39 to the Consolidated Financial Statements.

- ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.
- iv.
  - (1) The Managements of the Holding Company whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, 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 Holding Company to or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (2) The Managements of the Holding Company whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (3) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us whose financial statements have been audited under the Act, and according to the information and explanations provided to us by the Management of the Holding company in this regard nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement
- v. The Company has neither declared nor paid any dividend during the year.
- vi. Based on our examination which included test checks, the Holding Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, changes as explained in Note 51 to the Consolidated Financial Statements

Further, where enabled, audit trail feature has been operated for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the previous year.

Based on our examination which included test checks, the Holding Company has used revenue accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except that no audit trail feature was enabled at the database level in respect of an accounting software to log any direct data changes as explained in Note 51 to the Consolidated Financial Statements.

Further, where enabled, audit trail feature has been operated for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the previous year.

- 2. In our opinion, according to information, explanations given to us, the remuneration paid by the Holding Company, to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder except in case of six subsidiaries, as the provisions of the aforesaid section is not applicable to subsidiary companies incorporated outside India
- 3. According to the information and explanations given to us and based on the CARO reports issued by us for the Holding Company included in the Consolidated Financial Statements of the Group to which reporting under CARO is applicable, we report that there are no Qualifications/adverse remarks. Reporting under CARO is not applicable to subsidiaries as none of the subsidiaries are incorporated in India

For **M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Ankush Agrawal**  
Partner  
Membership No.159694  
UDIN: 25159694BMLWGY3018

Place: Mumbai  
Date: May 28, 2025

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ZODIAC CLOTHING COMPANY LIMITED**

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

- Identify and assess the risks of material misstatement of the 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 Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to Consolidated Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management and Board of Directors.
- Conclude on the appropriateness of the management and Board of Directors 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 ability of the Group 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 Group 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion

on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities or business activities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors 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 for the year ended March 31, 2025 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.

For **M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Ankush Agrawal**  
Partner  
Membership No.159694  
UDIN: 25159694BMLWGY3018

Place: Mumbai  
Date: May 28, 2025

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ZODIAC CLOTHING COMPANY LIMITED**

[Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Zodiac Clothing Company Limited on the Consolidated Financial Statements for the year ended March 31, 2025]

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

#### **Opinion**

In conjunction with our audit of the Consolidated Financial Statements of Zodiac Clothing Company Limited (hereinafter referred to as "the Holding Company") as of and for the year ended March 31, 2025, we have audited the internal financial controls reference to Consolidated Financial Statements of the Holding Company which includes the internal financial controls over financial reporting of the Holding Company as of that date.

Since all the subsidiaries are incorporated outside India, the reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is not applicable to them.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company have, in all material respects, an adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31, 2025, based on the internal financial controls with reference to Consolidated Financial Statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

#### **Management's and Board of Director's Responsibility for Internal Financial Controls**

The respective Management and the Board of Directors of the Holding Company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Consolidated Financial Statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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.

#### **Auditor's Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 internal financial controls with reference to Consolidated Financial Statements of the Holding Company.

#### **Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements**

A Company's internal financial control with reference to Consolidated Financial Statements 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 with reference to Consolidated Financial Statements 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 With Reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, 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 with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For M S K A & Associates**  
Chartered Accountants  
ICAI Firm Registration No. 105047W

**Ankush Agrawal**  
Partner  
Membership No.159694  
UDIN: 25159694BMLWGY3018  
Place: Mumbai  
Date: May 28, 2025

**ZODIAC CLOTHING COMPANY LIMITED**  
**Consolidated Balance Sheet as at March 31, 2025**  
(All amounts are in ₹ Lakhs, unless otherwise stated)

	Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
<b>I</b>				
1	<b>ASSETS</b>			
	<b>Non-current assets</b>			
	Property, plant and equipment	4(a)	8,724.40	8,530.56
	Capital work - in - progress	4(b)	122.90	596.28
	Investment properties	5	1,044.23	1,068.48
	Right-of-use assets	4(c)	4,441.44	4,191.99
	Other intangible assets	6	96.69	113.81
	Financial assets			
	- Investments	7	3,609.28	4,385.79
	- Loans	8	756.74	1,035.60
	- Others financial assets	9	973.94	978.27
	Deferred tax assets (net)	37	1,029.45	1,564.88
	Non - Current tax assets (net)	37	1,078.32	1,074.90
	Other non - current assets	10	265.77	353.76
	<b>Total Non-Current assets</b>		<b>22,143.16</b>	<b>23,894.32</b>
2	<b>Current assets</b>			
	Inventories	11	6,553.96	5,974.01
	Financial assets			
	- Investments	12	221.15	2,068.17
	- Trade receivables	13	2,064.07	2,108.37
	- Cash and cash equivalents	14	712.83	752.86
	- Bank Balances other than cash and cash equivalents	15	1.11	1.87
	- Loans	16	11.52	5.85
	- Others financial assets	17	363.55	338.13
	Other current assets	18	2,932.32	2,980.97
	<b>Total Current assets</b>		<b>12,860.51</b>	<b>14,230.23</b>
3	<b>Assets classified as held for sale</b>	19	-	122.90
	<b>TOTAL ASSETS</b>		<b>35,003.67</b>	<b>38,247.45</b>
<b>II</b>				
1	<b>EQUITY AND LIABILITIES</b>			
	<b>Equity</b>			
	Equity share capital	20	2,599.37	2,599.37
	Other equity	21	17,954.81	22,009.74
	<b>Total Equity</b>		<b>20,554.18</b>	<b>24,609.11</b>
2	<b>Liabilities</b>			
	<b>Non-current liabilities</b>			
	Financial liabilities			
	- Lease Liabilities	4(c)	3,873.01	3,466.43
	- Other financial liabilities	25	65.97	62.60
	Provisions	26	17.52	12.32
	Deferred tax liabilities	37	-	474.93
	Other non-current liabilities	28	12.62	15.82
	<b>Total Non-current liabilities</b>		<b>3,969.12</b>	<b>4,032.10</b>
	<b>Current liabilities</b>			
	Financial liabilities			
	- Borrowings	23	4,621.37	4,044.14
	- Lease Liabilities	4(c)	931.62	1,092.91
	- Trade payables	24		
	- total outstanding dues of micro enterprises and small enterprises		14.54	7.37
	- total outstanding dues of creditors other than micro enterprises and small enterprises		3,819.12	3,412.74
	- Other financial liabilities	25	243.69	220.72
	Provisions	26	55.08	76.20
	Current tax liabilities (net)	27	1.30	4.29
	Other current liabilities	28	793.65	747.87
	<b>Total Current liabilities</b>		<b>10,480.37</b>	<b>9,606.24</b>
	<b>Total liabilities</b>		<b>14,449.49</b>	<b>13,638.34</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>35,003.67</b>	<b>38,247.45</b>
	<b>SUMMERY OF MATERIAL ACCOUNTING POLICES</b>	2		

**The accompanying notes (1 - 53) are an integral part of these consolidated financial statements**

As per our report of even date

**For M S K A & Associates**

**Chartered Accountants**

Firm Registration Number: 105047W

**Ankush Agrawal**

Partner

Membership No. 159694

Mumbai

Date: May 28, 2025

**For and on behalf of Board of Directors of**  
**Zodiac Clothing Company Limited**  
CIN: L17100MH1984PLC033143

**S. Y. NOORANI**

Vice Chairman and  
Managing Director  
DIN: 00068423

**B. MAHABALA**

Chief Financial Officer  
Mumbai  
Date: May 28, 2025

**AWAIS J. NOORANI**  
Executive Director - Exports  
DIN: 00951424

**KUMAR IYER**  
Company Secretary  
Membership No. ACS9600

**ZODIAC CLOTHING COMPANY LIMITED**  
**Consolidated Statement of Profit and Loss for the year ended March 31, 2025**  
(All amounts are in ₹ Lakhs, unless otherwise stated)

	Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
<b>I</b>	<b>INCOME</b>			
	Revenue from operations	29	17,440.25	14,580.49
	Other income	30	1,341.83	888.24
	<b>Total Income</b>		<b>18,782.08</b>	<b>15,468.73</b>
<b>II</b>	<b>EXPENSES</b>			
	Cost of materials consumed	31	7,077.08	6,057.29
	Purchases of stock-in-trade		808.40	315.61
	Changes in inventories of finished goods, stock-in-trade and work-in progress	32	(414.90)	(188.55)
	Employee benefit expenses	33	4,600.45	4,208.53
	Finance costs	34	793.81	674.66
	Depreciation and amortisation expense	35	2,040.02	1,902.26
	Other expenses	36	7,488.13	6,126.72
	<b>Total expenses</b>		<b>22,392.99</b>	<b>19,096.52</b>
<b>III</b>	<b>Loss before tax</b>			<b>(3,610.91)</b>
<b>IV</b>	<b>Income tax expense</b>	37		<b>(3,627.79)</b>
	Current tax		1.29	4.26
	Deferred tax charge / (credit)		105.73	(1.77)
	Tax in respect of earlier years		1.66	7.06
	<b>Total Income tax expense</b>		<b>108.68</b>	<b>9.55</b>
<b>V</b>	<b>Loss for the year</b>			<b>(3,719.59)</b>
<b>VI</b>	<b>Other comprehensive (loss) income</b>			<b>(3,637.34)</b>
	<b>(i) Items that will not be reclassified subsequently to profit or loss</b>			
	- Remeasurements of net defined benefit plans	41	47.36	(24.39)
	- Equity Instruments through other comprehensive income		(431.65)	266.59
	- Income tax relating to above items		46.87	(22.68)
	<b>(ii) Items that will be reclassified subsequently to profit or loss</b>			
	- Debt Instruments through other comprehensive income		-	38.32
	- Net gains on cash flow hedges	47	5.91	7.37
	- Exchange differences on translation of foreign operations		(2.19)	65.23
	- Income tax relating to above items		(1.64)	(2.05)
	<b>Other comprehensive (loss) / income for the year, net of tax</b>		<b>(335.34)</b>	<b>328.39</b>
<b>VII</b>	<b>Total comprehensive (loss) for the year</b>			<b>(4,054.93)</b>
<b>VIII</b>	<b>Loss attributable to:</b>			<b>(3,637.34)</b>
	Owners of the Company		(3,719.59)	
	Non Controlling Interest		-	-
<b>IX</b>	<b>Other comprehensive income loss attributable to:</b>			
	Owners of the Company		(335.34)	328.39
	Non Controlling Interest		-	-
<b>X</b>	<b>Total comprehensive (loss) / income attributable to:</b>			
	Owners of the Company		(4,054.93)	(3,308.95)
	Non Controlling Interest		-	-
<b>XI</b>	<b>Loss per equity share of Rs. 10 each (INR)</b>	40		
	Basic (₹)		(14.31)	(13.99)
	Diluted (₹)		(14.31)	(13.99)
<b>XII</b>	<b>SUMMARY OF MATERIAL ACCOUNTING POLICES</b>	2		

**The accompanying notes (1 - 53) are an integral part of these consolidated financial statements**

As per our report of even date

**For M S K A & Associates**

**Chartered Accountants**

Firm Registration Number: 105047W

**Ankush Agrawal**

Partner

Membership No. 159694

Mumbai

Date: May 28, 2025

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

**Zodiac Clothing Company Limited**

CIN: L17100MH1984PLC033143

**S. Y. NOORANI**

Vice Chairman and

Managing Director

DIN: 00068423

**AWAIS J. NOORANI**

Executive Director - Exports

DIN: 00951424

**B. MAHABALA**

Chief Financial Officer

Mumbai

Date: May 28, 2025

**KUMAR IYER**

Company Secretary

Membership No. ACS9600

**ZODIAC CLOTHING COMPANY LIMITED**

**Statement of Consolidated Cash Flows for the year ended March 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>			
<b>Loss before tax</b>	(3,610.91)	(3,627.79)	
Adjustments for:			
Depreciation and amortisation expense	2,040.02	1,902.26	
Finance costs	793.81	674.66	
Net unrealised exchange gain on foreign currency translation / transaction	(70.63)	(31.55)	
Dividend Income	(6.30)	(22.89)	
Investment impairment allowance written back	(67.73)	-	
Rent income	(387.87)	(351.11)	
Unwinding of discount on security deposits	(45.21)	(47.24)	
Interest income	(53.69)	(13.12)	
Net gain on fair value / sale of financial assets measured at fair value through profit or loss	(224.99)	(289.99)	
Bad debts, loans, advances, deposits etc. written off	129.18	119.75	
Gain on termination / remeasurement / modification of lease contracts	(65.84)	-	
Net loss on sale/discard of property, plant and equipment	75.76	52.68	
<b>Operating loss before working capital changes</b>	<b>(1,494.40)</b>	<b>(1,634.34)</b>	
Adjustments for:			
Decrease / (Increase) in trade and other receivables	10.81	(96.17)	
Increase in inventories	(579.95)	(30.33)	
Increase in trade payable and other liabilities	610.94	1,135.05	
Increase / (Decrease) in provisions	31.44	(2.62)	
Cash used in operating activities	(1,421.16)	(628.41)	
Add: Direct taxes refund received	16.73	81.67	
<b>Net cash used in operating activities</b>	<b>(1,404.43)</b>	<b>(546.74)</b>	
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>			
Purchase of property, plant and equipment/ other intangible assets and movement in capital advances and capital work-in-progress	(376.68)	(1,251.11)	
Purchase of current investments (Net)	(1,365.54)	(204.24)	
Sale proceeds of property, plant and equipment	5.21	-	
Interest received	25.42	4.11	
Rent received	387.87	351.11	
Sale proceeds of non-current investments	487.57	1,308.42	
Sale proceeds of current investments (Net)	3,265.06	1,495.08	
Dividend received	6.30	22.89	
Loans given (Net)	262.95	(37.58)	
Investment in Term Deposits (Net)	12.31	51.27	
<b>Net cash generated from investing activities</b>	<b>2,710.47</b>	<b>1,739.95</b>	
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>			
Proceeds from current borrowings	396.01	582.26	
Proceeds towards loan from directors	440.00	39.00	
Repayment of non-current borrowings	(258.78)	(277.33)	
Payment of Principal portion of lease liabilities	(1,145.63)	(1,171.90)	
Interest paid on lease liabilities	(425.28)	(351.09)	
Interest paid on others	(352.39)	(319.10)	
<b>Net cash used in financing activities</b>	<b>(1,346.07)</b>	<b>(1,498.16)</b>	
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(40.03)</b>	<b>(304.95)</b>	
Add : Cash and cash equivalents at beginning of the year	752.86	1,057.81	
<b>Cash and cash equivalents at end of the year (Refer note 14)</b>	<b>712.83</b>	<b>752.86</b>	

Net debt reconciliation	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents	712.83	752.86
Current Borrowings (including interest accrued but excluding current maturities of long term debt)	(4,639.52)	(3,791.46)
Non Current Borrowings (including interest accrued and current maturities of long term debt)	-	(258.78)
Lease liabilities	(4,804.63)	(4,559.34)
<b>Total</b>	<b>(8,731.32)</b>	<b>(7,856.72)</b>

Particulars	Cash and Cash equivalents	Lease Liabilities	Non current borrowings (Including interest accrued)	Current borrowings (Including interest accrued)	Total
<b>Net Debt as at 31, 2023</b>	<b>1,057.81</b>	<b>(2,718.38)</b>	<b>(536.97)</b>	<b>(3167.37)</b>	<b>(5364.91)</b>
Cash flows	(304.95)	1,171.90	277.33	(-621.26)	523.02
Acquisitions-Leases	-	(3,012.86)	-	-	(3,012.86)
Termination Leases	-	-	-	-	-
Interest expense	-	(351.09)	(36.34)	(280.04)	(667.47)
Interest paid	-	351.09	37.20	277.21	665.50
<b>Net Debt as at 31, 2024</b>	<b>752.86</b>	<b>(4,559.34)</b>	<b>(258.78)</b>	<b>(3791.46)</b>	<b>(7,856.72)</b>
Cash flows	(40.03)	1,145.63	258.78	(-836.01)	528.37
Acquisitions-Leases	-	(1871.34)	-	-	(1871.34)
Termination Leases	-	480.42	-	-	480.42
Interest expense	-	(425.28)	(11.63)	322.94	771.90
Interest paid	-	425.28	11.63	322.94	759.85
<b>Net Debt as at 31, 2025</b>	<b>712.83</b>	<b>(4,804.63)</b>	<b>0.00</b>	<b>(4,639.52)</b>	<b>8,731.32</b>

**Notes:** The above Statement of Consolidated Cash Flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash Flows.

**The accompanying notes (1 - 53) are an integral part of these consolidated financial statements**

As per our report of even date

**For M S K A & Associates  
Chartered Accountants  
Firm Registration Number: 105047W**

**Ankush Agrawal**  
Partner  
Membership No. 159694

Mumbai  
Date: May 28, 2025

**For and on behalf of Board of Directors of  
Zodiac Clothing Company Limited  
CIN: L17100MH1984PLC033143**

**S. Y. NOORANI**  
Vice Chairman and  
Managing Director  
DIN: 00068423

**B. MAHABALA**  
Chief Financial Officer  
Mumbai  
Date: May 28, 2025

**AWAIS J. NOORANI**  
Executive Director - Exports  
DIN: 00951424

**KUMAR IYER**  
Company Secretary  
Membership No. ACS9600

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**A. Equity Share Capital**

	Notes	Amount
<b>As at March 31, 2023</b>		<b>2,599.37</b>
Changes in equity share capital	20	-
<b>As at March 31, 2024</b>		<b>2,599.37</b>
Changes in equity share capital	20	-
<b>As at March 31, 2025</b>		<b>2,599.37</b>

**B. Other Equity**

Particulars	Reserves and Surplus					Other Comprehensive Income (OCI)				Total
	Securities Premium	Amalgamation Reserves	State Cash Subsidy	Capital Redemption Reserve	Statutory Reserve	General Reserves	Retained Earnings	FVOCI - Equity Instruments	Cash Flow Hedging Reserve	
<b>As at March 31, 2023</b>	<b>10,749.10</b>	<b>8.16</b>	<b>15.84</b>	<b>200.00</b>	<b>17.98</b>	<b>2,693.15</b>	<b>9,707.71</b>	<b>1,199.68</b>	<b>(52.31)</b>	<b>780.52</b>
Loss for the year	-	-	-	-	-	-	(3,637.34)	-	-	(3,637.34)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	(24.39)	-	-	65.23
Remeasurement of defined benefit obligation	-	-	-	-	-	-	243.91	-	-	(24.39)
Changes in fair value of equity instruments through other Comprehensive income (net of tax)	-	-	-	-	-	-	-	-	-	243.91
Changes in fair value of Debt instruments through other Comprehensive income (net of tax)	-	-	-	-	-	-	-	38.32	-	38.32
Changes in the fair value of hedging instrument (net of tax)	-	-	-	-	-	-	-	-	(14.36)	(14.36)
Reclassification to Statement of Profit and Loss (net of tax)	-	-	-	-	-	-	-	-	19.68	19.68
<b>Total Comprehensive Loss for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,661.73)</b>	<b>243.91</b>	<b>38.32</b>	<b>5.32</b>	<b>65.23</b>
Balance as at March 31, 2024	<b>10,749.10</b>	<b>8.16</b>	<b>15.84</b>	<b>200.00</b>	<b>17.98</b>	<b>2,693.15</b>	<b>6,045.98</b>	<b>1,443.59</b>	<b>(13.99)</b>	<b>4.29</b>
Loss for the year	-	-	-	-	-	-	(3,719.59)	-	-	(3,719.59)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	47.36	-	-	(2.19)
Remeasurement of defined benefit obligation	-	-	-	-	-	-	(384.78)	-	-	47.36
Changes in fair value of equity instruments through other Comprehensive income (net of tax)	-	-	-	-	-	-	-	-	-	(384.78)
Changes in fair value of Debt instruments through other Comprehensive income (net of tax)	-	-	-	-	-	-	-	-	-	-
Changes in the fair value of hedging instrument (net of tax)(Refer note 47)	-	-	-	-	-	-	-	-	8.56	8.56
Reclassification to Statement of Profit and Loss (net of tax)(Refer note 47)	-	-	-	-	-	-	-	-	(4.29)	(4.29)
<b>Total Comprehensive Loss for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,672.23)</b>	<b>(384.78)</b>	<b>-</b>	<b>4.27</b>	<b>(4,054.93)</b>
Balance as at Mar 31, 2025	<b>10,749.10</b>	<b>8.16</b>	<b>15.84</b>	<b>200.00</b>	<b>17.98</b>	<b>2,693.15</b>	<b>2,373.75</b>	<b>1,038.81</b>	<b>(13.99)</b>	<b>8.56</b>
										<b>843.56</b>
										<b>17,954.81</b>

**The accompanying notes (1 - 53) are an integral part of these consolidated financial statements**  
As per our report of even date

**For M S K A & Associates  
Chartered Accountants**  
Firm Registration Number: 105047W

**Ankush Agrawal**  
Partner  
Membership No. 159694

Mumbai  
Date: May 28, 2025

**For and on behalf of Board of Directors of  
Zodiac Clothing Company Limited**  
CIN: L17100MH1984PLC033143

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Chief Financial Officer  
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Date: May 28, 2025

**AWAIS J. NOORANI**  
Executive Director - Exports  
DIN: 00951424

**KUMAR IYER**  
Company Secretary  
Membership No. ACS9600

**1 Background and Operations**

Zodiac Clothing Company Limited ('the Company') incorporated in India and its subsidiary and step down subsidiaries together constitutes the Zodiac Group ('the Group'), which mainly deals in clothing and clothing accessories.

**2 Significant accounting policies**

**(a) Basis of preparation of consolidated Financial Statements**

**(i) Compliance with Ind AS**

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') notified under section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules,2015 (as amended)], and other relevant provisions of the Act.

**(ii) Going Concern Assessment**

The Directors of the Company have assessed its liquidity position. The Board of Directors are confident of the Group's ability to meet its obligation at least for the next twelve months from the balance sheet date. Accordingly, these consolidated financial statements have been prepared on going concern basis.

**(iii) Historical cost convention**

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities (including derivative instruments) that are measured at fair value;
- 2) defined benefit plans - plan assets measured at fair value;

**(iv) Current and non-current classification**

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

**(v) Rounding off amounts**

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest lakhs, unless otherwise stated.

**(b) Principles of consolidation**

**Subsidiaries**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and

expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

**(c) Use of estimates and judgments**

The estimates and judgments used in the preparation of the consolidated financial statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognized in the period in which the results are known/materialized. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

**(d) Property, plant and equipment**

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

**Depreciation methods, estimated useful lives and residual value**

The Group depreciates its property, plant and equipment in respect of Zodiac Clothing Company Limited, India on a straight line method net of residual values over the useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in Schedule II of the Act, except for the following class of assets, useful life for which is based on a technical evaluation, taking into consideration nature of Group's business and past experience of usage of such assets:

Description of asset	Useful life followed by the Group	Useful life as prescribed under Schedule II
Buildings	31 Years	30 / 60 Years
Plant and equipment	21 Years*	15 Years *
Furniture and fixtures	16 Years	10 Years
Office equipment's	21 Years	5 Years
Computer (including servers)	6 Years	3 - 6 Years
Electrical Installation	21 Years	10 Years

\* Based on single shift

In respect of Zodiac Clothing Company (U.A.E.) LLC, UAE, the useful life are as follows:

Description of asset	Useful life
Factory Building	- 10 Years
Plant and equipment	- 8 Years
Furniture and fixtures	- 10 Years
Vehicles	- 5 Years

The residual values are generally not more than 5% of the original cost of the asset.

Leasehold improvements are depreciated over the shorter of their useful life or the lease term, unless the entity expects to use the assets beyond the lease term. Period of lease is either the primary lease period or where the Group as a lessee has the right of renewal of lease, and it is intended to renew for further periods, then such extended period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

**(e) Investment properties**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is initially recognized at cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Investment properties, net of residual value are depreciated using the straight-line method over their useful life in the manner prescribed in Schedule II of the Act, and management believe that useful lives of assets are same as those prescribed in Schedule II of the Act.

**(f) Intangible assets**

**Computer software**

Computer software are stated at cost, less accumulated amortization and impairments, if any.

**Amortisation method**

The Group amortizes intangible assets using the straight-line method over following period:

**Nature of intangible asset Useful life**

- Computer Software 6 Years

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

**(g) Lease  
As lessee**

The Group's lease asset classes primarily consist of leases for Land and Buildings. The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term leases of low value assets, the Group recognizes the lease payments as an operating expense on a straight line basis over the term of the lease. Variable lease payments that depend on sales are recognized in profit or loss in the period in which the condition that triggers those payments occurs.

The lease liability is initially measured at the present value of the future lease payments and payments to be made under reasonably certain extension option are also included in measurement of liability. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term. The amount on remeasurement of lease liability is adjusted to the right of use asset and any remaining amount is recognized in statement of profit and loss.

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

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

**Variable Lease Payments**

Certain property leases contain variable payment terms that are linked to sales generated from a store. For individual stores, up to 100% of lease payments are on the basis of variable payment terms with percentages ranging from 10% to 30% of sales. Variable payment terms are used for a variety of reasons, including minimising the fixed costs

base for newly established stores, etc.. Variable lease payments that depend on sales are recognised in statement of profit or loss in the period in which the condition that triggers those payments occurs.

**As lessor**

Lease income from operating leases where the Group is a lessor is recognized as income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

**(h) Cash and Cash Equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, Bank overdrafts, deposits and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**(i) Inventories**

Inventories of Raw Materials, Work-in-Progress, Stock-in-trade, Stores and spares and Finished Goods are stated 'at cost or net realizable value, whichever is lower'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formula used is 'First-in-First-Out', 'Weighted Average cost' or 'Specific Identification', as applicable.

Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be utilized are expected to be sold at or above cost.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated cost necessary to make the sale.

Slow-moving, non-moving & defective inventories are identified and wherever necessary, provision is made for such inventories considering various factors such as likely usage, obsolescence etc.

The inventories resulting from intra-group transactions have been stated at cost after deducting unrealized profit on such transactions.

**(j) Investments and other financial assets**

**(i) Classification**

The Group classifies its financial assets in the following measurement categories:

\* those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and

\* those measured at amortized cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

**(ii) Recognition**

Purchases and sales of financial assets are recognized on trade - date, being the date on which the Group commits to purchase or sale the financial asset.

**(iii) Measurement**

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through the Statement of Profit and Loss are expensed in the Statement of Profit and Loss.

**Debt instruments:**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

**\* Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method.

**\* Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment losses, interest revenue which are recognized in the Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or

loss previously recognized in OCI is reclassified from equity to the Statement of Profit and Loss and recognized in other income/expense. Interest income from these financial assets is included in other income using the effective interest rate method.

**\* Fair value through profit and loss:** Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through Statement of Profit and Loss. Interest income from these financial assets is included in other income.

**Equity instruments:**

The Group subsequently measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss. Dividends from such investments are recognized in the Statement of Profit and Loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognized as other income in the Statement of profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

**(iv) Impairment of financial assets**

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (a) Financial assets are measured at amortized cost e.g., loans, deposits and bank balance.
- (b) Trade receivables - The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

**(v) Derecognition**

A financial asset is derecognized only when

- the Group has transferred the rights to receive the cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

**(vi) Income recognition**

**Interest income**

Interest income from debt instruments is recognized using the effective interest rate method.

**Dividends**

Dividends are recognized in the Statement of Profit and Loss only when the right to receive payment is established.

**(k) Borrowings**

Borrowings are initially recognized at net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

**(l) Provisions, contingent liabilities and contingent assets**

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense in Statement of Profit and loss.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events.

Contingent assets disclosed in respect of possible asset that may arise from past event and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events.

**(m) Revenue recognition**

**Sale of goods - Wholesale**

Sales are recognized when the control of the goods has been transferred to customer which is generally

on delivery of goods and there is no unfulfilled obligation that could affect the customer's acceptance of the product. Delivery occurs when the products have been shipped to the specific location, risk of obsolescence and loss have been transferred to customer and the Group has objective evidence that all criteria for the acceptance have been satisfied.

A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

**Sale of goods - Retail**

The Group operates a chain of retail stores. Revenue from the sale of goods is recognized when the Group entity sells a product to the customer. Payment of transaction price is generally due immediately when the customer purchases the goods and takes delivery in store.

**Service income**

Sale of services - Revenue is recognized based on actual service provided at the end of the reporting period as proportion of total service to be provided.

**Other operating revenue - Export incentives**

Export incentives under various schemes of Government of India are accounted on accrual basis on the basis of exports made and when there is reasonable assurance that the Group entity will comply with the conditions and incentive will be received.

**(n) Employee benefits**

**(i) Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

**(ii) Post-employment obligations**

**Defined Benefits Plan**

**Gratuity obligations**

The liability or asset recognized in the balance sheet in respect of defined gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The net interest cost is calculated by actuary applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of

Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments as calculated by actuary are recognized immediately in the Statement of Profit and Loss as past service cost.

**Defined Contribution Plans**

The Group pays Provident Fund (PF) contributions, Employees State Insurance Scheme (ESIC) etc., to publicly administered funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefits expense when they are due.

**(iii) Other long-term employee benefit obligations**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. An actuarial valuation is obtained at the end of reporting period. The present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

The obligations are presented as current liabilities in the balance sheet if the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**(o) Foreign currency transactions**

**(i) Functional and presentation currency**

The consolidated financial statements are presented in Indian rupee (INR), which is Group's functional and presentation currency.

**(ii) Transactions and balances**

Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realized gains and losses on settlement of foreign currency transactions are recognized in the Statement of Profit and Loss. Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognized in the Statement of Profit and Loss.

**(iii) Group Companies**

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet
- income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognized in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to statement of profit and loss, as a part of gain or loss on sale.

**(p) Derivative and hedging activities**

Derivatives are only used for economic hedging purposes and not as speculative investments. Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The Group designates their derivatives as hedges of foreign exchange risk associated with the cash flows of firm commitment transactions (sales orders/ purchase orders) (cash flow hedges).

The Group documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Group documents its risk management objectives and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than or equal to 12 months.

**Cash flow hedges that qualify for hedge accounting –**

The effective portion of changes in the fair value

of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge.

When forward contracts are used to hedge forecast transactions, the Group designates them in entirety as the hedging instrument. Gains or losses relating to effective portion of fair value of forward contracts are recognized in the other comprehensive income in the cash flow hedging reserve within other equity.

When the option contracts are used to hedge forecast transactions, the Group designates only the intrinsic value of the option contract as the hedging instrument.

Amounts accumulated in equity are reclassified to statement of profit and loss in the periods when the hedged item affects profit or loss i. e. when the underlying sales or purchase transaction occurs.

The gain or loss relating to the ineffective portion is recognized immediately in the Statement of Profit and Loss.

**Derivative Contracts other than cash flow hedges:**

Derivative contracts which are not designated as cash flow hedges, are accounted for at fair value through profit or loss and are included in Statement of Profit and Loss.

**(q) Income tax**

The income tax expense for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the consolidated financial statements. Deferred income tax is determined

using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

**(r) Earnings Per Share**

**Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

**Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

The calculation of diluted earnings per share does not assume conversion, exercise, or other issue of potential ordinary shares that would have an antidilutive effect on earnings per share.

**(s) Segment Reporting:**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker(CODM).

The CODM, being the Managing Director of

the Company, assesses the financial performance and position of the Group and makes strategic decisions.

**(t) Impairment of non-financial assets:**

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**(u) Government Grants**

Grants from the government are recognized at their fair value where there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

**(v) Recent Accounting Pronouncements:**

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2024 to amend the following

Ind-AS which are effective for annual periods beginning on or after 1st April 2024. The Company has applied these amendments for the first time in the Consolidated Financial Statements.

**(i) Ind AS 116, Leases**

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amended Ind AS 116, Leases, with respect to lease liability in a sale and leaseback transaction.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after 1st April 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the

date of initial application of Ind AS 116.

The application of Ind AS 116 had no impact on the Group's Consolidated Financial Statements as the Group has not entered any contracts in the nature of sale and leaseback covered under Ind AS 116.

**(ii) Ind AS 117, Insurance Contracts**

The Ministry of corporate Affairs ("MCA") notified the Ind AS 117, Insurance Contracts, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after 1st April 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply.

The application of Ind AS 117 had no impact on the Group's Consolidated Financial Statements as the Group has not entered any contracts in the nature of insurance contracts covered under Ind AS 117.

**(iii) New standards and amendments issued but not effective**

There are no such standards which are notified but not yet effective.

**(iv) The other amendments to Ind-AS notified by these rules are primarily in the nature of clarifications.**

**3 Critical estimates and judgements**

The preparation of consolidated financial statements requires the use of accounting estimates which by definition will seldom equal the actual results.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

The areas involving critical estimates or judgement are:

- Estimation of Defined benefit obligation (Refer Note 41)
- Recoverability of deferred tax assets (Refer Note 37)
- Allowance for doubtful debts (Refer Note 13 and 47)
- Fair value of Investment properties (Refer Note 5)
- Direct tax litigations (Refer Note 39)
- Determination of lease term (Refer Note 4(c))
- Impairment of non-financial assets (Refer Note 2(u))
- Provision for Inventory Obsolescence (Refer Note 2(i) and 11)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**4(a) Property, Plant and Equipment**

	Freehold Land	Buildings	Leasehold Improvement	Plant & Machinery	Furniture & fixtures	Vehicles	Office equipment	Computer	Electrical Installation	Total
<b>Gross Carrying Amount</b>										
Balance as at March 31, 2023	362.47	3,084.56	2,023.34	3,201.18	2,503.38	60.66	649.82	144.38	847.34	12,877.14
Additions	-	766.06	108.41	57.04	57.13	-	1.06	13.07	65.05	1,067.82
Reclassified to Investment Property (Refer footnote (iii) & Standalone)	-	410.23	-	-	-	-	-	-	-	410.23
Disposals	-	-	120.70	14.57	46.83	3.88	1.10	0.27	16.71	200.18
Currency Alignment	-	101.94	-	3.12	6.21	-	-	-	-	115.15
<b>Balance as at March 31, 2024</b>	<b>362.47</b>	<b>3,542.33</b>	<b>2,011.05</b>	<b>3,246.77</b>	<b>2,519.89</b>	<b>64.54</b>	<b>649.78</b>	<b>157.18</b>	<b>895.68</b>	<b>13,449.70</b>
Additions	-	392.66	96.89	241.31	29.75	74.86	1.54	11.61	55.94	904.54
Disposals	-	-	118.58	16.76	37.31	-	3.91	0.38	44.52	221.45
Currency Alignment	-	198.52	-	3.96	7.89	4.94	-	-	-	215.30
<b>Balance as at March 31, 2025</b>	<b>362.47</b>	<b>4,133.51</b>	<b>1,989.36</b>	<b>3,475.28</b>	<b>2,520.22</b>	<b>144.34</b>	<b>647.41</b>	<b>168.41</b>	<b>907.10</b>	<b>14,348.09</b>
<b>Accumulated depreciation</b>										
Balance as at March 31, 2023	-	<b>552.09</b>	<b>994.39</b>	<b>1,012.20</b>	<b>1,111.14</b>	<b>50.85</b>	<b>237.80</b>	<b>115.74</b>	<b>236.23</b>	<b>4,310.45</b>
Additions	-	88.57	108.94	191.99	212.66	-	35.99	9.49	48.49	696.13
Reclassified to Investment Property (Refer footnote (iii) & Standalone)	-	50.01	-	-	-	-	-	-	-	50.01
Disposals	-	-	89.14	11.49	44.46	3.88	0.47	0.27	1.67	147.50
Currency Alignment	-	97.29	-	3.12	5.78	-	-	-	-	110.07
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>687.94</b>	<b>1,014.19</b>	<b>1,195.82</b>	<b>1,285.12</b>	<b>54.73</b>	<b>273.32</b>	<b>124.96</b>	<b>283.05</b>	<b>4,919.14</b>
Additions	-	106.08	106.71	194.57	201.19	2.66	35.76	9.98	50.21	707.16
Disposals	-	-	83.24	13.34	26.74	-	1.44	0.38	15.34	140.48
Currency Alignment	-	121.36	-	3.96	7.59	4.95	-	-	-	137.87
<b>Balance as at March 31, 2025</b>	<b>-</b>	<b>915.38</b>	<b>1,037.66</b>	<b>1,381.01</b>	<b>1,467.17</b>	<b>62.34</b>	<b>307.64</b>	<b>134.56</b>	<b>317.92</b>	<b>5,623.69</b>
Carrying amount										
Balance as at March 31, 2024	362.47	2,854.39	996.86	2,050.95	1,234.77	9.81	376.46	32.22	612.63	8,530.56
Balance as at March 31, 2025	362.47	3,218.13	951.70	2,094.27	1,053.05	82.00	339.77	33.85	589.18	8,724.40

**4(b) Capital Work in Progress**

Capital Work in Progress (Refer Note vi)	Opening carrying amount	Additions (Refer note (v))	Disposals	Transfer	Closing carrying amount
For the year ended March 31, 2024	302.10	420.97	-	126.79	596.28
For the year ended March 31, 2025	596.28	122.90		596.28	122.90
<b>Aging of CWIP</b>					
<b>Project in Progress</b>	<b>Less than one year</b>	<b>1 – 2 years</b>	<b>2 – 3 years</b>	<b>More than 3 years</b>	<b>Total</b>
For the year ended March 31, 2024	220.97	174.05	-	1.26	596.28
For the year ended March 31, 2025	122.90	-	-	-	122.90

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**4(b) Capital Work in Progress (Contd...)**

- (i) Refer Note 39(ii)(a) for disclosure of contractual commitments for acquisition of property, plant and equipment.
- (ii) Refer Note 38 for information on property, plant and equipment pledged as security by the Group.
- (iii) During the previous year, a part of the building having carrying value of Rs. 360.22 Lakhs has been transferred to investment properties.
- (iv) In case of Zodiac Clothing Company (U.A.E.) LLC, Factory building (carrying value of Rs. 162.31 Lakhs (Previous year Rs. 112.64 Lakhs)) is constructed on leasehold land which is in name of U.A.E.
- (v) In FY 2023-24, Plant & Machinery identified as asset held for sale consist of one machinery which Group is in the process of sale after identifying suitable buyer. The Group is planning to use this Plant & Machinery in its factory held at Bommasandra from FY 2024-25 and hence, this has been reclassified to Capital-work-in progress.
- (vi) Actual cost of capital projects in progress has not exceeded the estimated cost and the actual timelines for completion of projects has not exceeded the estimated timelines in respect of the amounts reported in 4(b), as at end of each reporting period. Accordingly, completion schedule is not presented. CWIP as at March 31, 2025 majorly comprises of costs directly attributable to Plant & Machinery. There are no projects which are suspended as on March 31, 2025 and March 31, 2024.

**4(c) Right-of-use assets and leases**

This note provides information for leases where the Group is a lessee. The Group leases Land and Building (retail stores, warehouse, offices, guest house etc.). Rental contracts are typically made for periods of 1 year to 9 years, but may have extension options as described in (iv) below

The balance sheet shows the following amounts relating to leases:

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Right of use assets</b>		
- Leasehold Land	0.74	0.94
- Buildings	4,440.70	4,191.05
<b>Total</b>	<b>4,441.44</b>	<b>4,191.99</b>

Set out below are the carrying amounts of right of use assets recognised and movements during the year:

Particulars	Lease hold Land	Buildings	Total right of use assets
<b>I. Gross carrying amount</b>			
<b>Balance as at March 31, 2023</b>	2.54	7,564.73	7,567.27
Additions	-	3,187.38	3,187.38
Deductions on disposals	-	4,277.73	4,277.73
<b>Balance as at March 31, 2024</b>	<b>2.54</b>	<b>6,474.38</b>	<b>6,476.92</b>
Additions	-	1,934.26	1,934.26
Deductions on disposals	-	767.29	767.29
<b>Balance as at March 31, 2025</b>	<b>2.54</b>	<b>7,641.35</b>	<b>7,643.89</b>
<b>II. Accumulated depreciation</b>			
<b>Balance as at March 31, 2023</b>	<b>1.40</b>	<b>5,417.96</b>	<b>5,419.36</b>
Depreciation expense for the year	0.20	1,136.44	1,136.64
Deductions on disposals	-	4,271.07	4,271.07
<b>Balance as at March 31, 2024</b>	<b>1.60</b>	<b>2,283.33</b>	<b>2,284.93</b>
Depreciation expense for the year	0.20	1,270.03	1,270.23
Deductions on disposals	-	352.71	352.71
<b>Balance as at March 31, 2025</b>	<b>1.80</b>	<b>3,200.65</b>	<b>3,202.45</b>
<b>Carrying amount</b>			
<b>Balance as at March 31, 2024</b>	<b>0.94</b>	<b>4,191.05</b>	<b>4,191.99</b>
<b>Balance as at March 31, 2025</b>	<b>0.74</b>	<b>4,440.70</b>	<b>4,441.44</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**4(c) Leases (Contd...)**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Lease Liabilities</b>		
Current	931.62	1,092.91
Non-Current	3,873.01	3,466.43
<b>Total</b>	<b>4,804.63</b>	<b>4,559.34</b>

**(ii) Amounts recognised in the statement of profit and loss**

Particulars	Note No.	Year Ended March 31, 2025	Year Ended March 31, 2024
<b>Depreciation charge of Right-of-use assets</b>			
- Leasehold Land	35	0.20	0.20
- Buildings	35	1,270.03	1,136.44
		<b>1,270.23</b>	<b>1,136.64</b>

Gain on termination / remeasurement of lease contracts (included in other income)	30	65.84	-
Interest expense (included in finance costs)	34	425.28	351.09
Rent			
- Expense relating to short-term leases (included in other expenses)	36	387.75	428.50
- Expense relating to variable lease payments not included in lease liabilities	36	164.72	182.95
		<b>552.47</b>	<b>611.45</b>

The total cash outflow for leases for the year ended March 31, 2025 was ₹ 2,123.38 Lakhs (March 31, 2024 ₹ 2,134.44 Lakhs) (including short term and variable lease payments).

**(iii) Variable Lease Payments**

Certain property leases contain variable payment terms that are linked to sales generate from a store. For individual stores, up to 100% of lease payments are on the basis of variable payment terms with percentages ranging from 10% to 30% of sales. Variable payment terms are used for a variety of reasons, including minimising the fixed costs base for newly established stores , re-evaluation done post Covid-19 etc. Variable lease payments that depend on sales are recognised in statement of profit or loss in the period in which the condition that triggers those payments occurs.

A 50% increase in sales across all stores in the company with such variable lease contracts would increase total lease payments by approximately ₹ 82.36 Lakhs (March 31, 2024 ₹ 91.48 Lakhs).

**(iv) Extension and termination options**

Extension and termination options are included in a number of property leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

**(v) Critical judgments in determining the lease term**

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended.

For leases of retail stores, the Group considers factors such as historical lease durations and the costs and business disruption required to replace the leased asset.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**5. Investment Properties**

Particulars	Building	Total
<b>Gross carrying amount</b>		
<b>Balance as at March 31, 2023</b>	<b>849.41</b>	<b>849.41</b>
Additions	-	-
<b>Reclassified from Property, plant and equipment (Refer Note 4(a)(iii))</b>	<b>410.23</b>	<b>410.23</b>
Deductions on disposals		
<b>Balance as at March 31, 2024</b>	<b>1,259.64</b>	<b>1,259.64</b>
Additions		-
Deductions on disposals		-
<b>Balance as at March 31, 2025</b>	<b>1,259.64</b>	<b>1,259.64</b>
<b>Accumulated depreciation</b>		
<b>Balance as at March 31, 2023</b>	<b>122.57</b>	<b>122.57</b>
Additions	18.58	18.58
Reclassified from Property, plant and equipment (Refer Note 4(a)(iii))	50.01	50.01
Deductions on disposals	-	-
<b>Balance as at March 31, 2024</b>	<b>191.16</b>	<b>191.16</b>
Additions	24.25	24.25
Deductions on disposals		-
<b>Balance as at March 31, 2025</b>	<b>215.41</b>	<b>215.41</b>
<b>Net carrying amount</b>		
<b>Balance as at March 31, 2024</b>	1,068.48	1,068.48
<b>Balance as at March 31, 2025</b>	1,044.23	1,044.23

Notes:

**(i) Amounts recognised in statement of profit or loss for investment properties:**

Particulars	As at March 31, 2025	As at March 31, 2024
Rental income derived from investment properties	387.87	351.11
Direct operating expenses (including repairs and maintenance) of investment properties	10.25	4.93
<b>Income arising from investment properties before depreciation</b>	<b>377.62</b>	<b>346.18</b>
Depreciation	24.25	18.58
<b>Income arising from investment properties (Net)</b>	<b>353.37</b>	<b>327.60</b>

**(ii) Premises given on operating lease:**

The Group has given certain investment properties on operating lease. These lease arrangements range for a period between 1 year to 9 years and include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms.

The total future minimum lease rentals receivable in respect of non-cancellable leases at the Balance Sheet date is as under:

Particulars	As at March 31, 2025	As at March 31, 2024
For a period not later than one year	37.44	35.66
For a period later than one year and not later than five years	56.03	21.69
For a period later than five years	-	-

**(iii) Fair value**

Particulars	Investment Properties	
	Building	Building
As at March 31, 2024		6,480.50
As at March 31, 2025		6,461.22

**Significant Estimates:**

**Estimation of fair value**

The Group obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in active market for similar properties.

The fair valuation of investment properties has been determined by registered independent valuers as defined under Companies Act, 2013. The main inputs used are the prevailing market rates and recent sale of similar properties, etc. The fair value measurement is categorised in level 3 fair value hierarchy.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**6 Intangible assets**

	<b>Computer Software</b>
<b>Gross carrying amount</b>	
Balance as at March 31, 2023	<b>606.19</b>
Additions	27.53
Disposals	-
<b>Balance as at March 31, 2024</b>	<b>633.72</b>
Additions	21.26
Disposals	-
<b>Balance as at March 31, 2025</b>	<b>654.98</b>
 <b>Accumulated amortisation</b>	
Balance as at March 31, 2023	<b>469.00</b>
Additions	50.91
Disposals	-
<b>Balance as at March 31, 2024</b>	<b>519.91</b>
Additions	38.38
Disposals	-
<b>Balance as at March 31, 2025</b>	<b>558.29</b>
 <b>Net carrying amount</b>	
Balance as at March 31, 2024	<b>113.81</b>
<b>Balance as at March 31, 2025</b>	<b>96.69</b>

**7 Non-current Investments**

		<b>As at March 31, 2025</b>		<b>As at March 31, 2024</b>	
		<b>No. of Shares / NCD / Units</b>	<b>Amount</b>	<b>No. of Shares / NCD / Units</b>	<b>Amount</b>
<b>A</b>	<b><u>Investment in Equity Instruments</u></b>				
	<b>Quoted</b>				
	<b>At Fair value through Other Comprehensive Income</b>				
	Shoppers Stop Limited (Equity Shares of ₹5 each)	221,024	1,210.66	221,024	1,662.00
	Aditya Birla Capital Limited (Equity Shares of ₹10 each)	138	0.26	138	0.36
	Grasim Industries Limited (Equity Shares of ₹2 each)	99	2.59	99	2.27
	Aditya Birla Fashion and Retail Limited (Equity Shares of ₹10 each)	343	0.88	343	0.70
	Hindalco Industries Limited (Equity Shares of ₹1 each)	830	5.66	830	4.65
	Coramandel International Limited (Equity Shares of ₹1 each)	108	2.16	108	0.83
	Indraprastha Medical Limited (Equity Shares of ₹10 each)	5,000	19.30	5,000	8.59
	Karur Vysya Bank Limited (Equity Shares of ₹2 each)	32,733	68.45	32,733	59.79
	Maan Alluminium Limited (Equity Shares of ₹5 each)	4,000	3.07	4,000	5.49
	Spentex Industries Limited (Equity Shares of ₹10 each)	54	*	54	*
	<b>Total (A)</b>		<b>1,313.03</b>		<b>1,744.68</b>
<b>B</b>	<b><u>Investment in Debentures and Bonds</u></b>				
	<b>Unquoted</b>				
	<b>At amortised cost</b>				
	11.80 % I L & F S Transportation Networks Limited (NCDs of ₹100 each)	30	213.31	30	281.05
	Less: Impairment Loss		(213.31)		(281.05)
	<b>At Fair value through Other Comprehensive Income</b>				
	<b>Quoted</b>				
	6 3/4% Bonds Sri Lanka 2018/ 18- APR- 2028 (Bond of USD 200,000)	1	-	1	97.85
	<b>Total (B)</b>			<b>-</b>	<b>97.85</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

	As at		As at	
	March 31, 2025		March 31, 2024	
	No. of shares / NCD / units	Amount	No. of shares / NCD / units	Amount
<b>C Investment in Venture capital funds</b>				
<b>Unquoted</b>				
<b>At Fair value through Profit and Loss @</b>				
Faering Capital India Evolving Fund II (Units of ₹1000/- each)	59,937	1,605.57	61,548	1,636.66
Paragon Partners Growth Fund – I (Units of ₹100/- each)	166,307	373.49	166,341	283.43
Tata Capital Healthcare Fund (Units @ ₹1 /- each)	-	-	20,000,000	22.00
Tata Capital Growth Fund (Units @ ₹1 /- each)	-	-	20,000,000	300.00
Faering Capital India Evolving Fund (Units of Rs.1000/- each)	10,727	317.19	10,727	301.17
<b>Total (C)</b>		<b>2,296.25</b>		<b>2,543.26</b>
<b>Total (A+B+C)</b>		<b>3,609.28</b>		<b>4,385.79</b>
Aggregate amount of quoted investments		1,313.03		1,744.68
Aggregate Market Value of the quoted investments		1,313.03		1,744.68
Aggregate amount of unquoted investments		2,509.56		2,824.31
Aggregate amount of impairment in the value of investment		213.31		281.05

**Note:**

\* Amount is below the rounding off norms adopted by the Group.

@ Investment in venture capital funds have been fair valued at closing Net Assets Value(NAV) / Fair Market Value(FMV).

Refer Note 46 for information about fair value measurement of investments and Note 39(ii)(b) for Investment Commitments related to Venture Capital funds.

**8 Non- current loans**

	As at	As at
	March 31, 2025	March 31, 2024
<b>Unsecured, considered good</b>		
Loans to related parties (Refer Note 45)	744.09	1,007.04
Loans to employees	12.65	10.09
Loans to others	-	18.47
<b>Total</b>	<b>756.74</b>	<b>1,035.60</b>

**9 Other non-current financial assets**

	As at	As at March
	March 31, 2025	31, 2024
<b>Unsecured, considered doubtful</b>		
Security Deposits	956.88	950.00
Less: Allowance for doubtful deposits	(42.00)	(42.00)
	914.88	908.00
<b>Unsecured, considered good</b>		
Term deposits with banks	51.68	63.99
Interest Accrued on above	7.38	6.28
<b>Total</b>	<b>973.94</b>	<b>978.27</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**10 Other non-current assets**

	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
<b>Unsecured, considered good</b>		
Capital advances	-	4.67
Prepaid expenses	2.82	4.08
Balances with government authorities (including deposits) - Others	26.13	44.20
Advance for factory construction and commercial work	236.82	300.81
<b>Total</b>	<b>265.77</b>	<b>353.76</b>

**11 Inventories**

	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
(The mode of valuation of inventories has been stated in Note 2(i))		
Raw and Packing Materials	1,693.37	1,515.05
Work-in-progress	193.14	194.41
Finished goods	4,134.71	3,804.27
Stock-in-trade	437.61	344.36
Stores and Spares	95.13	115.92
<b>Total</b>	<b>6,553.96</b>	<b>5,974.01</b>

Inventory writedowns are accounted, considering the nature of inventory, ageing, liquidation plan and net realisable value. Writedowns of inventories amounted to Rs. 287.14 Lakhs for the year ended March 31, 2025 (Rs. 511.34 Lakhs for year ended March 31, 2024). These writedowns were recognised as an expense and included in 'Cost of material consumed', 'changes in inventories of finished goods, stock-in-trade and work-in-progress', and 'consumption of stores and spares' in the Statement of Profit and Loss.

The management has carried out an assessment of carrying value of the inventories and basis such assessment which includes nature, condition, margins and liquidation plan, no further provision, over and above those already provided, is considered necessary.

**12 Current investments**

	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>		
	<b>No. of Units</b>	<b>Amount</b>	<b>No. of Units</b>	<b>Amount</b>
<b>Investments in Mutual Funds</b>				
<b>Unquoted</b>				
<b>At Fair value through Profit and Loss</b>				
HDFC Ultra Short Term Fund- Regular Growth (Units of ₹10/- each)	144,983	21.57	1,326,295	183.65
HDFC Ultra Short Term Fund- Dir-IDCW (Units of ₹10/- each)	4,998	0.50	4,637	0.46
HDFC Ultra Short Term Fund Direct Growth (Units of ₹10/- each)	906,705	137.67	5,326,600	750.45
HDFC Liquid-DP-Growth Option (Units of ₹10/- each)	1,206	61.41	23,897	1,133.61
<b>Total</b>		<b>221.15</b>		<b>2,068.17</b>
Aggregate amount of unquoted investments		221.15		2,068.17

Refer Note 46 for information about fair value measurement of investments.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**13 Trade receivables**

	As at March 31, 2025	As at March 31, 2024
Receivables from related parties (Refer Note 45)	63.94	392.08
Others	2,398.73	2,114.89
Less: Loss allowances	(398.60)	(398.60)
<b>Total</b>	<b>2,064.07</b>	<b>2,108.37</b>

**Note (a): Break-up of security details**

Trade receivables considered good - unsecured	2,064.07	2,108.37
Trade receivables - credit impaired - unsecured	398.60	398.60
<b>Total</b>	<b>2,462.67</b>	<b>2,506.97</b>
Less: Loss allowances	(398.60)	(398.60)
<b>Total Trade Receivables</b>	<b>2,064.07</b>	<b>2,108.37</b>

Refer Note 47 for information about credit risk and market risk of trade receivables.

**Note (b): Ageing of Trade receivables**

Unsecured Trade receivables	Not due	Outstanding for following periods from the due date						Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years		
<b>As at March 31, 2025</b>								
(i) Undisputed - considered good	1849.78	178.45	10.61	20.92	4.31	-		<b>2,064.07</b>
(ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	-		-
(iii) Undisputed - credit impaired	-	-	-	-	-	-		-
(iv) Disputed - considered good	-	-	-	-	-	-		-
(v) Disputed - which have significant increase in credit risk	-	-	-	-	-	-		-
(vi) Disputed - credit impaired	-	-	-	-	-	398.60		<b>398.60</b>
<b>Less: Loss allowances</b>						<b>(398.60)</b>		<b>(398.60)</b>
<b>Total</b>	<b>1,849.78</b>	<b>178.45</b>	<b>10.61</b>	<b>20.92</b>	<b>4.31</b>			<b>2,064.07</b>
<b>As at March 31, 2024</b>								
(i) Undisputed - considered good	1,326.10	650.33	34.00	97.94	-	-		<b>2,108.37</b>
(ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	-		-
(iii) Undisputed - credit impaired	-	-	-	-	-	-		-
(iv) Disputed - considered good	-	-	-	-	-	-		-
(v) Disputed - which have significant increase in credit risk	-	-	-	-	-	-		-
(vi) Disputed - credit impaired	-	-	-	-	-	398.60		<b>398.60</b>
<b>Less: Loss allowances</b>						<b>(398.60)</b>		<b>(398.60)</b>
<b>Total</b>	<b>1,326.10</b>	<b>650.33</b>	<b>34.00</b>	<b>97.94</b>				<b>2,108.37</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**14 Cash and cash equivalents**

	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Cash on hand	19.68	13.68
Balances with Banks		
- In current accounts	693.15	739.18
<b>Total</b>	<b>712.83</b>	<b>752.86</b>

There are no repatriation restrictions with regard to cash and cash equivalents as at March 31, 2025 and previous year end.

**15 Bank Balances other than cash and cash equivalents**

	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Unclaimed dividends - Earmarked balances with banks	1.11	1.87
<b>Total</b>	<b>1.11</b>	<b>1.87</b>

**16 Current loans**

<b>Unsecured, considered good</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Loans to related parties (Refer Note 45)	2.04	0.49
Loans to employees	9.48	5.36
<b>Total</b>	<b>11.52</b>	<b>5.85</b>

**17 Other current financial assets**

<b>Unsecured, considered good</b>	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Security deposits	35.09	43.47
Other deposits	68.75	54.68
Advances recoverable from employees	50.53	30.15
Interest accrued	6.03	4.95
Other receivable	26.49	-
Derivative financial instruments	17.70	5.96
Others advances	158.96	18.98
Advance for purchase of mutual fund	-	#179.94
<b>Total</b>	<b>363.55</b>	<b>338.13</b>

# This represents amount paid towards purchase of mutual fund and units allotted subsequent to March 31, 2024.

**18 Other current assets**

	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Unsecured, considered good	192.47	323.33
Export benefits receivables		
Excess Contribution to gratuity fund (Refer Note 41)	9.21	-
Interest subsidy receivable	-	1.23
Advances to Suppliers	112.27	69.10
Prepaid expenses	82.34	73.76
Balances with government authorities - GST Input credit receivable/refundable	2,529.10	2,478.53
Other advances	6.93	35.02
<b>Total</b>	<b>2,932.32</b>	<b>2,980.97</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**19 Assets classified as held for sale**

	As at March 31, 2025	As at March 31, 2024
Plant & Machinery *	-	122.90
<b>Total</b>	-	<b>122.90</b>

\*In FY 2023-24, Plant & Machinery identified as asset held for sale consist of one machinery which Group is in the process of sale after identifying suitable buyer. The Group is planning to use this Plant & Machinery in its factory held at Yelahanka from FY 2024-25 and hence, this has been reclassified to Capital-work-in progress. (Refer note 4(b))

**20 Equity share capital**

	As at March 31, 2025	As at March 31, 2024
<b>Authorised</b>		
3,40,00,000 [March 31, 2024: 3,40,00,000] Equity Shares of ₹10 each	3,400.00	3,400.00
<b>Issued, subscribed and fully paid up</b>		
2,59,93,717 [March 31, 2024: 2,59,93,717] Equity Shares of ₹10 each	2,599.37	2,599.37
	<b>2,599.37</b>	<b>2,599.37</b>

<b>Notes:</b>				
	<b>As at March 31, 2025</b>		<b>As at March 31, 2024</b>	
<b>Equity Shares :</b> Balance as at the beginning of the year Issued during the year <b>Balance as at the end of the year</b>	<b>Number of shares</b>	<b>Amount</b>	<b>Number of shares</b>	<b>Amount</b>
	25,993,717	2,599.37	25,993,717	2,599.37
	-	-	-	-
	<b>25,993,717</b>	<b>2,599.37</b>	<b>25,993,717</b>	<b>2,599.37</b>
<b>b) Rights, preferences and restrictions attached to shares:</b>				
<b>Equity shares:</b> The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.				

<b>c) Details of shares held by each shareholder holding more than 5% shares in the Company:</b>	<b>As at March 31, 2025</b>		<b>As at March 31, 2024</b>	
	<b>%</b>	<b>No. of shares</b>	<b>%</b>	<b>No. of shares</b>
Asia Tangible Investments Pte Limited	12.14	3,154,882	12.14	3,154,882
Euro Global Holdings Pte Limited	12.14	3,154,882	12.14	3,154,882
Anees Yusuf Noorani	23.08	6,000,109	23.08	6,000,109
Salman Yusuf Noorani	22.35	5,808,376	22.35	5,808,376

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**20 Equity share capital (Contd....)**

**d) Details of shareholding of promoters:**

<b>Name of the Promoter</b>	<b>Year Ended March 31, 2025</b>			<b>Year Ended March 31, 2024</b>		
	<b>Number of Shares</b>	<b>% of total number of shares</b>	<b>% change during the year</b>	<b>Number of Shares</b>	<b>% of total number of shares</b>	<b>% change during the year</b>
Late Mohamed Yusuf Noorani	232,875	0.90	-	232,875	0.90	-
Salman Yusuf Noorani & Anees Yusuf Noorani	-	-	-	-	-	(19.21)
Salman Yusuf Noorani	5,808,376	22.35	-	5,808,376	22.35	9.66
Anees Yusuf Noorani	6,000,109	23.08	-	6,000,109	23.08	9.55
Euro Global Holdings Pte. Ltd.	3,154,882	12.14	-	3,154,882	12.14	-
Asia Tangible Investments Pte. Ltd.	3,154,882	12.14	-	3,154,882	12.14	-
Adnan Salman Noorani	200,000	0.77	-	200,000	0.77	-
Muna Anees Noorani	75	&	-	75	&	-
Zehra Salman Noorani	367	&	-	367	&	-
Musaed Anees Noorani	8,409	0.03	-	8,409	0.03	-
Awais Anees Noorani	75	&	-	75	&	-
Saniyya Anees Noorani	75	&	-	75	&	-
M Y Noorani 2007 Trust (Trustee - Anees Yusuf Noorani and Salman Yusuf Noorani)	607	&	-	607	&	-
<b>Total</b>	<b>18,560,732</b>	<b>71.41</b>		<b>18,560,732</b>	<b>71.41</b>	

e) During the five years immediately preceding the reporting date, no shares have been bought back nor had the Company issued any bonus shares or any shares for consideration other than cash.

& Percentages are below the rounding off norms adopted by the Company.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**21 Other equity**

	Reserves and Surplus						Other Comprehensive Income (OCI)					
	Securities Premium Reserve	Amalgamation Reserves	State Cash Subsidy	Capital Redemption Reserve	Statutory Reserve	General Reserves	Retained Earnings	FVOCI - Equity Instruments	FVOCI - Debt Instruments	Cash Flow Hedging Reserve	Foreign Currency Translation Reserve	Total
<b>Balance as at March 31, 2023</b>	<b>10,749.10</b>	<b>8.16</b>	<b>15.84</b>	<b>200.00</b>	<b>17.98</b>	<b>2,693.15</b>	<b>9,707.71</b>	<b>1,199.68</b>	<b>(52.31)</b>	<b>(1.03)</b>	<b>780.52</b>	<b>25,318.69</b>
Loss for the year	-	-	-	-	-	-	(3,637.34)	-	-	-	-	(3,637.34)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	-	-	-	65.23	65.23
Remeasurement of defined benefit obligation	-	-	-	-	-	-	(24.39)	-	-	-	-	(24.39)
Changes in fair value of equity instruments through other Comprehensive income (net of tax)	-	-	-	-	-	-	243.91	-	-	-	-	243.91
Debt instruments through other comprehensive income, net of tax	-	-	-	-	-	-	-	38.32	-	-	-	38.32
Changes in the fair value of hedging instrument (net of tax)	-	-	-	-	-	-	-	-	(14.36)	-	-	(14.36)
Reclassification to Statement of Profit and Loss (net of tax)	-	-	-	-	-	-	-	-	19.68	-	-	19.68
<b>Total Comprehensive Loss for the year</b>	<b>10,749.10</b>	<b>8.16</b>	<b>15.84</b>	<b>200.00</b>	<b>17.98</b>	<b>2,693.15</b>	<b>6,045.98</b>	<b>1,443.59</b>	<b>(13.99)</b>	<b>8.56</b>	<b>843.56</b>	<b>(3,308.95)</b>
<b>Balance as at March 31, 2024</b>	<b>10,749.10</b>	<b>8.16</b>	<b>15.84</b>	<b>200.00</b>	<b>17.98</b>	<b>2,693.15</b>	<b>9,707.71</b>	<b>1,199.68</b>	<b>(52.31)</b>	<b>(1.03)</b>	<b>780.52</b>	<b>25,318.69</b>
Loss for the year	-	-	-	-	-	-	(3,719.59)	-	-	-	-	(3,719.59)
Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	-	-	-	(2.19)	(2.19)
Remeasurement of defined benefit obligation	-	-	-	-	-	-	47.36	-	-	-	-	47.36
Changes in fair value of equity instruments through other Comprehensive income (net of tax)	-	-	-	-	-	-	(384.78)	-	-	-	-	(384.78)
Debt instruments through other comprehensive income, net of tax	-	-	-	-	-	-	-	-	-	-	-	-
Changes in the fair value of hedging instrument (net of tax)	-	-	-	-	-	-	-	-	-	-	-	8.56
Reclassification to Statement of Profit and Loss (net of tax)	-	-	-	-	-	-	-	-	(4.29)	-	-	(4.29)
<b>Total Comprehensive Loss for the year</b>	<b>10,749.10</b>	<b>8.16</b>	<b>15.84</b>	<b>200.00</b>	<b>17.98</b>	<b>2,693.15</b>	<b>3,672.23</b>	<b>(384.78)</b>	<b>-</b>	<b>4.27</b>	<b>(2.19)</b>	<b>(4,054.93)</b>
<b>Balance as at March 31, 2025 of Significant Reserves</b>	<b>10,749.10</b>	<b>8.16</b>	<b>15.84</b>	<b>200.00</b>	<b>17.98</b>	<b>2,693.15</b>	<b>2,373.75</b>	<b>1,058.81</b>	<b>(13.99)</b>	<b>8.56</b>	<b>843.56</b>	<b>17,954.81</b>
<b>Retained Earnings</b>												

Retained Earnings are the Profits that the Company has earned till date, less any transfer to general reserve, dividends or other distribution paid to shareholders

**Securities Premium**

Securities premium is used to record the premium on issue of shares, which is to be utilised in accordance with the provisions of the Act.

**Capital Redemption Reserve**

Represent reserve created during redemption of Preference Shares and it is a non-distributable reserve, which is to be utilised in accordance with provision of the Act Statutory Reserve

**Statutory Reserve**

Statutory Reserve is created by allocating 10% of the net profit of the subsidiary - Zodiact Clothing Company (U.A.E.) LLC as required by Article 103 of the UAE Commercial Companies Law No. 2 of 2015 concerning commercial companies in the UAE. The subsidiary discontinued such annual transfers as this reserve totals 50% of the paid up share capital. The reserve is not available for distribution except as provided in the Federal Law.

**General Reserve**

The general reserve is a free reserve, retained from Group's profits. The reserves can be utilised as per the provisions of the Companies Act, 2013.

**FVOCI - Debt Instruments**

The Group has elected to recognise changes in the fair value of investments in certain equity securities as other comprehensive income. These changes are accumulated within the FVOCI equity instruments reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are sold.

**FVOCI - Equity Instruments**

The Group has elected to recognise changes in the fair value of investments in certain debt securities as other comprehensive income. These changes are accumulated within the FVOCI debt instruments reserve within equity. Such changes recognised are reclassified to the statement of profit and loss when the hedged item affects the profit or loss

**Cash Flow Hedging Reserve**

The cumulative effective portion of gain or losses arising on changes in the fair value of hedging instruments designated as cash flow hedges are recognised in cash flow hedge reserve. Such changes recognised are accumulated in a separate reserve with equity. The cumulative amount is reclassified to the statement of profit and loss when the net investment is disposed-off.

**Foreign Currency Translation Reserve**

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve with equity. The cumulative amount is reclassified to the statement of profit and loss when the net investment is disposed-off.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**22 Non-current borrowings**

	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
<b>Secured</b>		
Guaranteed Emergency Credit Line (GECL)	-	258.78
<b>Total Non-current borrowings</b>	-	<b>258.78</b>
Less: Current maturities of long term debt (included in Note 23)	-	(258.78)
Less: Interest accrued but not due on borrowings (included in Note 25)	-	-
<b>Total Non-current borrowings (as per Balance Sheet)</b>	-	-

Refer Note 48 for liquidity risk

**Notes:**

Nature of Security and terms of repayment:

- (i) The loan is secured against hypothecation of all current assets of the Company (Refer note 38).
- (ii) The loan carries an interest rate of nil (March 31, 2024: 8.25% to 9.25% p.a.).
- (iii) The loan is repayable in 36 equated monthly instalments starting from the 13th month of their respective drawdown dates. Last installment is due on March 20, 2025 which is paid on time.

**23 Current Borrowings**

	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
<b>From banks (Working Capital Loans):</b>		
Secured		
- Rupee Packing Credit (RPC)	2,298.66	2,120.67
- Bank Overdraft	1,848.01	1,631.79
<b>From Related Parties:</b>		
Unsecured		
- Loans from Directors	492.85	39.00
<b>Total Current borrowings</b>	<b>4,639.52</b>	<b>3,791.46</b>
Less: Interest accrued but not due on borrowings (included in Note 25)	(18.15)	(6.10)
Current maturities of long term debt (Refer Note 22)	-	258.78
<b>Total Current borrowings</b>	<b>4,621.37</b>	<b>4,044.14</b>

**Nature of Security and terms of repayment:**

- (i) Current borrowings are secured against hypothecation of all current assets of the Company (Refer note 38).
- (ii) RPC is repayable within 180 days. Effective Interest rate ranging from 5.60% to 9.60% p.a. (March 31, 2024: 3.10% to 6.10% p.a.)
- (iii) Bank Overdraft carries rate of interest ranging from 9.10% to 9.60% p.a. (March 31, 2024: 9.10% to 9.50% p.a.)
- (iv) Loans from Directors carries rate of interest of 7% p.a.
- (v) Refer Note 47 for liquidity risk
- (vi) The carrying amounts of financial and non financial assets as security for secured borrowings are disclosed in Note 38.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**24 Trade payables**

	As at March 31, 2025	As at March 31, 2024
Trade payables		
- total outstanding dues of micro and small enterprises (MSME) [Refer Note below]	14.54	7.37
- total outstanding dues of creditors other than micro and small enterprises		
- Payable to related parties [Refer Note 45]	416.27	384.12
- Others	3,402.85	3,028.62
<b>Total</b>	<b>3,833.66</b>	<b>3,420.11</b>

Refer Note 47 for information about liquidity risk and market risk of trade payables.

Ageing of trade payables:

Particulars	Unbilled Dues	Not due	Outstanding for following years from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025							
(i) MSME	-	11.47	3.07	-	-	-	<b>14.54</b>
(ii) Others	125.29	1,990.44	1,429.48	112.15	88.64	73.12	<b>3,819.12</b>
(iii) Disputed Dues - MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>125.29</b>	<b>2,001.91</b>	<b>1,432.55</b>	<b>112.15</b>	<b>88.64</b>	<b>73.12</b>	<b>3,833.66</b>
As at March 31, 2024							
(i) MSME	-	2.62	4.75	-	-	-	<b>7.37</b>
(ii) Others	46.32	1,356.18	1,838.32	90.44	25.60	55.88	<b>3,412.74</b>
(iii) Disputed Dues - MSME	-	-	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-	-	-
<b>Total</b>	<b>46.32</b>	<b>1,358.80</b>	<b>1,843.07</b>	<b>90.44</b>	<b>25.60</b>	<b>55.88</b>	<b>3,420.11</b>

**Notes:**

The Group has certain dues to suppliers under Micro, small and Medium enterprises Development Act, 2006 (“MSMED Act”). The disclosure pursuant to the said MSMED Act are as follows:

Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end

Interest thereon due to suppliers registered under the MSMED Act and remaining unpaid as at year end

Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year

Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year

Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year

Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act

Interest accrued and remaining unpaid at the end of each accounting year

Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act

Note: The above is based on information available with the company regarding the registration status of the supplier as micro enterprises and small enterprises under MSMED Act.

As at March 31, 2025	As at March 31, 2024
14.03	6.80
0.51	0.57
46.41	39.90
2.04	0.65
-	-
-	-
0.51	0.37
-	-

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**25 Other financial liabilities**

**Other non-current financial liabilities**

	As at March 31, 2025	As at March 31, 2024
Security deposits	65.97	62.60
<b>Total</b>	<b>65.97</b>	<b>62.60</b>

**Other current financial liabilities**

	As at March 31, 2025	As at March 31, 2024
Interest accrued but not due on borrowings (Refer Note 22 and 23)	18.15	6.10
Unclaimed dividends [Refer Note below]	1.11	1.87
Capital Creditors	210.13	208.26
Book Overdraft	9.59	-
Other payables	4.71	4.49
<b>Total</b>	<b>243.69</b>	<b>220.72</b>

**Notes:**

Amount of Rs. 0.62 lakhs is due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

**26 Provisions**

<b>Non-current Provisions</b>	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
- Staff end of service gratuity	15.40	12.26
- Others	2.12	0.06
<b>Total</b>	<b>17.52</b>	<b>12.32</b>
<b>Current provisions</b>	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
- Compensated absences (Refer Note 41)	53.94	57.44
- Gratuity (Refer Note 41)	-	17.65
- Staff end of service gratuity	1.04	1.01
- Others	0.10	0.10
<b>Total</b>	<b>55.08</b>	<b>76.20</b>

**27 Current tax liabilities**

	As at March 31, 2025	As at March 31, 2024
Current tax liabilities (net)	1.30	4.29
<b>Total</b>	<b>1.30</b>	<b>4.29</b>

**28 Other liabilities**

<b>Other non-current liabilities</b>	As at March 31, 2025	As at March 31, 2024
Deferred rent income	12.62	15.82
<b>Total</b>	<b>12.62</b>	<b>15.82</b>
<b>Other current liabilities</b>	As at March 31, 2025	As at March 31, 2024
Contract liabilities - advance from customers *	147.61	112.72
Statutory dues payable	105.53	107.79
Employee benefits payable	537.30	505.68
Deferred rent income	3.21	21.68
<b>Total</b>	<b>793.65</b>	<b>747.87</b>

\* Contract liabilities reflect advance payments from customers. These are amounts received prior to transferring goods and services to the customer. The balance as at the beginning of the year is recognised as revenue during the year while the amount recognised as at the end of the year represents advance payments received during the respective year.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**29 Revenue from Operations**

	<b>Year Ended March 31, 2025</b>	<b>Year ended March 31, 2024</b>
<b>Revenue from contracts with customers</b>		
- Sale of Products	16,817.48	14,077.49
- Sale of Services (Freight and Insurance)	33.38	26.66
<b>Other operating revenue</b>		
- Export incentives	583.39	472.19
- Process waste sale	6.00	4.15
<b>Total</b>	<b>17,440.25</b>	<b>14,580.49</b>

(i) There are no unsatisfied performance obligations resulting from Revenue from Contracts with Customers as at March 31, 2025 and March 31, 2024.

**(ii) Reconciliation of revenue from contracts with customers recognised with contract price:**

	<b>Year Ended March 31, 2025</b>	<b>Year ended March 31, 2024</b>
Contract price	17,064.99	14,307.57
Adjustments for:		
- Discounts and Rebates	(32.26)	(43.34)
- Sales returns	(181.87)	(160.08)
<b>Revenue from contract with customers</b>	<b>16,850.86</b>	<b>14,104.15</b>

(iii) Contract liabilities reflect advance payments from customers. These are amounts received prior to transferring goods and services to the customer. The balance as at the beginning of the year is recognised as revenue during the year while the amount recognised as at the end of the year represents advance payments received during the respective year.

	<b>Year Ended March 31, 2025</b>	<b>Year ended March 31, 2024</b>
Contract liabilities - advance from customers *		
<b>Total</b>	<b>147.61</b>	<b>112.72</b>

**30 Other income**

	<b>Year Ended March 31, 2025</b>	<b>Year ended March 31, 2024</b>
Interest income		
- unwinding of discount on security deposit	45.21	47.24
- fixed deposits	7.59	7.31
- income tax refunds	26.09	4.67
- others	20.01	1.14
Dividend Income		
- financial assets measured at fair value through profit or loss	6.30	22.89
Rent income	387.87	351.11
Net gain on fair value / sale of financial assets measured at fair value through profit or loss	527.28	289.99
Net gain / (loss) on foreign currency transactions and translation	32.01	1.99
Gain on termination / remeasurement / of lease contracts	65.84	-
Miscellaneous income	223.63	161.90
<b>Total</b>	<b>1,341.83</b>	<b>888.24</b>

**31 Cost of materials consumed**

	<b>Year Ended March 31, 2025</b>	<b>Year ended March 31, 2024</b>
Raw and packing materials at the beginning of the year		
Add: Purchases	1,515.96	1,686.18
Less: Raw and packing materials at the end of the year	7,254.49	5,886.16
<b>Total</b>	<b>(1,693.37)</b>	<b>(1,515.05)</b>
	<b>7,077.08</b>	<b>6,057.29</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

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

	<b>Year Ended March 31, 2025</b>	<b>Year ended March 31, 2024</b>
<b>Opening inventories</b>		
Finished goods	3,804.27	3,584.13
Stock-in-trade	351.88	405.67
Work-in-progress	194.41	164.69
	<b>4,350.56</b>	<b>4,154.49</b>
<b>Closing inventories</b>		
Finished goods	4,134.71	3,804.27
Stock-in-trade	437.61	344.36
Work-in-progress	193.14	194.41
	<b>4,765.46</b>	<b>4,343.04</b>
<b>Total</b>	<b>(414.90)</b>	<b>(188.55)</b>

**33 Employee benefits expense**

Salaries, wages, bonus etc.	
Contribution to provident and other funds (Refer Note 41)	
Gratuity expenses (Refer Note 41)	
Staff welfare expenses	
<b>Total</b>	

<b>Year Ended March 31, 2025</b>	<b>Year ended March 31, 2024</b>
4,125.90	3,761.97
352.20	332.49
60.52	53.15
61.83	60.92
<b>4,600.45</b>	<b>4,208.53</b>

**34 Finance costs**

Interest expense on:

- Term Loans
- Current Borrowings
- Lease Payments
- Others

**Total**

<b>Year Ended March 31, 2025</b>	<b>Year ended March 31, 2024</b>
11.63	36.34
334.99	280.04
425.28	351.09
21.91	7.19
<b>793.81</b>	<b>674.66</b>

**35 Depreciation and amortization expense**

Depreciation on property, plant and equipment (Refer Note 4(a))	
Depreciation on right-of-use assets (Refer Note 4(c))	
Depreciation on investment properties (Refer Note 5)	
Amortisation on intangible assets (Refer Note 6)	
<b>Total</b>	

<b>Year Ended March 31, 2025</b>	<b>Year ended March 31, 2024</b>
707.16	696.13
1,270.23	1,136.64
24.25	18.58
38.38	50.91
<b>2,040.02</b>	<b>1,902.26</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**36 Other expenses**

	<b>Year Ended March 31, 2025</b>	<b>Year ended March 31, 2024</b>
Consumption of stores and spares	192.75	117.83
Power and fuel	225.51	212.68
Job work charges	534.90	276.53
Insurance	101.88	105.33
Repairs to buildings	86.50	84.48
Repairs to machinery	15.03	16.56
Repairs and maintenance - Others	375.68	310.95
Rent	618.31	710.72
Electricity expenses	260.28	246.63
Retail store maintenance expenses	397.23	372.87
Rates and taxes	204.50	175.82
Advertisement and sales promotion	804.11	647.36
Commission to selling agents	760.60	613.28
Freight and forwarding	1,017.50	764.68
Trade mark fees	74.92	64.90
Legal and professional expenses	353.94	313.36
Travelling and conveyance	394.61	350.76
Director fees	24.20	26.80
Donations	0.09	91.49
Expenditure incurred for Corporate Social Responsibility	91.52	51.00
Exchange fluctuation - Others	4.07	28.16
Net loss on fair value / sale of financial assets measured at fair value through profit or loss	302.29	-
Bad debts, loans, advances and deposits etc. written off	129.18	119.75
Net loss on sale/discard of property, plant and equipment	75.76	52.68
Bank charges	156.77	124.20
Security charges	112.88	102.83
Miscellaneous expenses	173.12	145.07
<b>Total</b>	<b>7,488.13</b>	<b>6,126.72</b>

**37 Taxes**

**i) Tax expense recognised in the Statement of Profit and Loss:**

**Current tax**

Expense for the year

**Total current tax (A)**

**Deferred tax**

Deferred tax credit

**Total deferred tax credit (B)**

**Total tax expense for the year (C) = (A + B)**

Tax in respect of earlier years (D)

**Total tax credit (C + D)**

<b>Year Ended March 31, 2025</b>	<b>Year Ended March 31, 2024</b>
1.29	4.26
<b>1.29</b>	<b>4.26</b>
105.73	(1.77)
<b>105.73</b>	<b>(1.77)</b>
<b>107.02</b>	<b>2.49</b>
1.66	7.06
<b>108.68</b>	<b>9.55</b>

**Note:**

Pursuant to the amendments introduced in the Finance Bill, 2024, relating to the taxation of capital gains, the Group has re-evaluated its deferred tax assets and liabilities on items subject to capital gains tax. As a result, a one-time cumulative impact of ₹591.00 lakhs has been recognized in the audited consolidated financial results for the year ended March 31, 2025. Additionally, during the quarter the Group has reversed deferred tax liabilities of ₹490.21 Lakhs previously recognized on undistributed reserves of its subsidiary companies. This reversal is based on the Holding Company's current assessment that these subsidiaries profits and reserves will not be distributed in the foreseeable future and that the subsidiaries will not be disposed of.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**37 Taxes (Contd....)**

**ii) A reconciliation of the income tax expenses to the amount computed**

	<b>Year Ended March 31, 2025</b>	<b>Year Ended March 31, 2024</b>
(Loss) / Profit before tax	(3,610.91)	(3,627.79)
Less: Set off Unabsorbed Depreciation	-	-
	<b>(3,610.91)</b>	<b>(3,627.79)</b>
Enacted income tax rate in India	27.82%	27.82%
<b>Tax expenses at enacted income tax rate</b>	<b>(1,004.56)</b>	<b>(1,009.25)</b>
 Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income		
Permanent Disallowance	44.53	93.29
Additional deduction for House Property Income under Income Tax	(30.45)	(28.81)
Reversal of Deferred tax on undistributed profits of subsidiaries	(490.21)	-
Differential tax rate in respect of income from capital gains	13.74	24.71
Deferred tax assets not recognised on business losses	647.54	581.87
Foreign Entities with no tax / differential tax	61.22	54.76
Deferred tax assets not recognised on unabsorbed depreciation	202.07	195.78
Gratuity disallowed	-	15.05
One time impact in respect of taxation of capital gains due to amendment in Finance Bill, 2024	591.00	-
Others	72.14	70.11
<b>Total Tax Expenses</b>	<b>107.02</b>	<b>(2.49)</b>

**iii) Tax Assets**

	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Non-Current Tax Assets (net of provision of ₹ 2,762.57 Lakhs (As at March 31, 2024 ₹ 2,762.57 Lakhs))	1,078.32	1,074.90
<b>Total</b>	<b>1,078.32</b>	<b>1,074.90</b>

**iv) The movement in deferred tax assets and liabilities during the year ended March 31, 2024 and March 31, 2025:**

	As at March 31, 2023	Credit/ (charge) in statement of Profit and Loss	Credit/ (charge) in Other Com- pre- hensive Income	As at March 31, 2024	Credit/(charge) in statement of Profit and Loss	Credit/ (charge) in Other Compre- hensive Income	As at March 31, 2025
<b>Deferred tax assets (net)</b>							
Provision for employee benefits	22.92	(11.90)	-	11.02	(21.13)	11.92	1.81
Provision for doubtful debts and advances	122.57	-	-	122.57	-	-	122.57
Property, plant and equipment and intangible assets	(328.40)	126.25	-	(202.15)	(84.17)	-	(286.32)
Lease Liabilities and Right-of-use assets	158.71	(56.51)	-	102.20	(1.16)	-	101.04
Unabsorbed Depreciation	1,698.58	(147.09)	-	1,551.49	(8.61)	-	1,542.88
Business Losses	23.01	(23.01)	-	-	-	-	-
Others	(132.51)	136.99	(24.73)	(20.25)	(465.59)	33.31	(452.53)
<b>Total</b>	<b>1,564.88</b>	<b>24.73</b>	<b>(24.73)</b>	<b>1,564.88</b>	<b>(580.66)</b>	<b>45.23</b>	<b>1,029.45</b>
 <b>Deferred tax liabilities</b>							
Undistributed reserves of subsidiaries	(451.97)	(22.96)	-	(474.93)	474.93	-	-
<b>Total</b>	<b>(451.97)</b>	<b>(22.96)</b>	<b>-</b>	<b>(474.93)</b>	<b>474.93</b>	<b>-</b>	<b>-</b>

**Significant Estimates:** Based on the future business plans and the underlying assumptions such as fair value of immovable properties, as also assessed by an external registered valuer, the company has estimated that the future taxable income will be sufficient to absorb carried forward unabsorbed depreciation, which management believes is probable, accordingly the Group has recognized deferred tax asset on aforesaid unabsorbed depreciation. However, deferred tax on carried forward unabsorbed depreciation and business losses as detailed below has not been considered for recognition of deferred tax asset. Further, deferred tax asset on business losses has been recognised to the extent of deferred tax liabilities.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

Assessment Year (A.Y.)	Business Loss			Unabsorbed Depreciation		
	As at March 31, 2025	As at March 31, 2024	Loss Carried forward for upto A.Y.	As at March 31, 2025	As at March 31, 2024	Loss Carried forward for upto A.Y.
2017 - 18	1,064.52	1,064.52	2025-26	1,056.74	1,056.74	
2018 - 19	1,836.69	1,836.69	2026-27	1,166.48	1,166.48	
2019 - 20	457.88	457.88	2027-28	1,056.32	1,056.32	
2020 - 21	1,879.04	1,879.04	2028-29	981.42	981.42	
2021 - 22	3,000.44	3,000.44	2029-30	871.83	871.83	
2022 - 23	2,025.65	2,025.65	2030-31	787.01	787.01	
2023-24	-	-		-	-	
2024-25	1,871.79	2,008.84	2032-33	704.97	703.78	
2025-26	2,327.59			726.33		
Less - Deferred tax recognized	-	-		(5,545.94)	(5,591.59)	
<b>Unrecognized Amount</b>	<b>14,463.60</b>	<b>12,273.06</b>		<b>1,805.16</b>	<b>1,031.99</b>	

**38 Assets pledged as securities**

The carrying amounts of assets pledged as security for current and non-current borrowings are:  
(excludes balances of subsidiaries since not pledged)

	As at March 31, 2025	As at March 31, 2024
<b>Floating Charge</b>		
<b>Current Assets</b>		
<b>Financial Assets</b>		
- Investments	221.15	2,068.18
- Trade receivables *	2,042.80	1,744.45
- Cash and cash equivalents	102.33	89.10
- Loans	9.48	5.36
- Others financial assets	348.20	272.71
	2,723.96	4,179.80
<b>Non Financial Assets</b>		
- <b>Inventories</b>	6,532.64	5,946.41
- Other current assets	2,809.34	2,882.39
	9,341.98	8,828.80
<b>Total assets</b>	<b>12,065.94</b>	<b>13,008.60</b>

\* Trade Receivables represent receivables excluding related parties trade receivables as per the terms of the security.

**39 Contingent liabilities, Contingent assets and commitments (to the extent not provided for)**

	As at March 31, 2025	As at March 31, 2024
<b>i) Contingent Liabilities</b>		
Claims against the Group not acknowledged as debts in respect of:		
Income tax matters (including TDS matters)	1,047.70	1,146.26
<b>Significant Estimates:</b> The Group has litigations in respect of certain Income tax matters. The management does assessment of all outstanding matters and wherever required further obtains legal advice including those relating to interpretation of law. Based on such assessment, it concludes whether a provision should be recognised or a disclosure should be made.		
<b>ii) Commitments</b>		
<b>(a) Capital Commitments</b>		
Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:		
Property, plant and equipment	-	4.67
Less: Capital advances (Refer Note 10)	-	(4.67)
Net Capital commitments	-	-

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**(b) Investment Commitments related to Venture Capital funds**

	As at March 31, 2025	As at March 31, 2024
Investment Commitments related to Venture Capital funds	35.93	35.93

Investment commitment: contribution is to be made on “as needed” basis pursuant to drawdown notices issued by the respective funds over commitment period.

Mirage Marketing Company LLP (MMLP) vide Deed of Adherence (DOA) dated October 31, 2020 and January 30, 2021 executed in favour of Faering Capital India Evolving Fund II and the Company, has acquired Investment Commitment of class A units of Faering Capital India Evolving Fund amounting to Rs. 298.80 Lakhs from the Group and pursuant to which the Company is no longer committed for investment commitment to the extent of Rs. 298.80 lakhs.

**40 Earnings per share**

	As at March 31, 2025	As at March 31, 2024
<b>Basic &amp; Diluted</b>		
Loss for the year (₹ in lakhs)	(A)	(3,719.59)
Weighted average number of equity shares outstanding (nos)	(B)	25,993,717
Basic and Diluted Loss Earning Per Share (₹)	(A / B)	(14.31)
Nominal value per equity shares (in ₹)		10
		10

**41 Post retirement benefit plans**

**I. Defined Benefit Plan - Gratuity:**

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service, subject to a ceiling of ₹ 20 Lakhs. The gratuity plan is a funded plan and the Group makes contributions to recognised funds in India.

As per Actuarial Valuation as on March 31, 2025 and March 31, 2024, amounts recognised in the Consolidated financial statements in respect of Employee Benefits Scheme:

**A. Amount recognised in the Balance Sheet**

	As at March 31, 2025	As at March 31, 2024
Present value of plan liabilities	945.97	959.86
Fair value of plan assets	(955.18)	(942.21)
<b>(Net plan surplus) / Net plan liability</b>	<b>(9.21)</b>	<b>17.65</b>

**B. Movement in plan assets and liabilities**

	Year ended March 31, 2025		Year ended March 31, 2024		Net	
	Plan Assets	Plan Liabilities	Net	Plan Assets	Plan Liabilities	
<b>As at 1st April</b>	942.21	959.86	(17.65)	947.86	891.45	56.41
Current service cost	-	59.25	(59.25)	-	57.35	(57.35)
Interest cost	-	69.11	(69.11)	-	66.51	(66.51)
Interest income	67.85	-	67.85	70.71	-	70.71
Actuarial (gain)/loss arising from changes in financial assumptions	-	25.94	(25.94)	-	14.77	(14.77)
Actuarial (gain)/loss arising from experience adjustments	-	(72.00)	72.00	-	9.19	(9.19)
Return on plan assets excluding actual return of plan assets	1.30	-	1.30	(0.43)	-	(0.43)
Employer contributions	40.01	-	40.01	3.48	-	3.48
Benefit payments	(96.19)	(96.19)	-	(79.41)	(79.41)	-
<b>As at 31<sup>st</sup> March</b>	<b>955.18</b>	<b>945.97</b>	<b>9.21</b>	<b>942.21</b>	<b>891.45</b>	<b>(17.65)</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**The liabilities are split between different categories of plan participants as follows:**

	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Active members (in nos.)	1,006	1,196
Retired Members (in nos.)	36	39
The weighted average duration of the defined benefit obligations	7 years	8 years
Expected contribution to the Fund in next year.	47.09	76.90

**C. Consolidated Statement of Profit and Loss**

	<b>Year ended March 31, 2025</b>	<b>Year ended March 31, 2024</b>
<b>Employee Benefits Expense:</b>		
Current service cost	59.25	57.35
Net Interest income	1.27	(4.20)
<b>Amount recognised in Consolidated Statement of Profit and Loss</b>	<b>60.52</b>	<b>53.15</b>
Remeasurements of the net defined benefits liability:		
Actuarial gains arising from changes in financial assumptions	25.94	14.77
Experience gains	(72.00)	9.19
Return on plan assets excluding actual return on plan assets	(1.30)	0.43
<b>Amount recognised in Other Comprehensive Income - loss/ (gain)</b>	<b>(47.36)</b>	<b>24.39</b>

Total impact of remeasurement of net defined benefit plan (income) / expense recognised through other comprehensive Income as at March 31, 2025 and included in Retained earnings is (₹ 47.36) lakhs (Previous Year: ₹ 24.39 Lakhs).

**D. Assets**

	<b>Gratuity</b>	
	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
Insurer managed Fund	955.18	942.21
<b>Total</b>	<b>955.18</b>	<b>942.21</b>

**E. Assumptions**

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
	<b>Financial Assumptions</b>	
Discount rate	6.72%	7.20%
Salary Escalation Rate *	5.00%	5.00%
Expected Return on Plan Assets	6.72%	7.20%
Attrition Rate	"For service period 4 years and below 10% to 25% p.a. For service period of 5 years and above 1% to 7% p.a."	"For service period 4 years and below 10% to 25% p.a. For service period of 5 years and above 1% to 7% p.a."

\* Taking into account inflation, seniority, promotion and other relevant factors.

**Demographic Assumptions**

Mortality in Service:

Indian Assured Lives Mortality  
(2012-14) Urban table

Indian Assured Lives Mortality  
(2012-14) Urban table

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**F. Sensitivity**

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

	Change in assumption	As at March 31, 2025		Change in assumption	As at March 31, 2024	
		Increase in assumption having an impact on present value of plan liability	Decrease in assumption having an impact on present value of plan liability		Increase in assumption having an impact on present value of plan liability	Decrease in assumption having an impact on present value of plan liability
Discount rate	1%	(52.39)	59.28	1%	(54.38)	61.41
Salary Escalation Rate	1%	55.93	(50.37)	1%	58.53	(52.84)
Attrition Rate	1%	6.13	(6.97)	1%	9.09	(10.19)

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

**G. The defined benefit obligations shall mature after the end of reporting period is as follows:**

	As at March 31, 2025	As at March 31, 2024
1st Following Year	135.19	129.26
2nd Following Year	73.04	76.15
3rd Following Year	101.44	81.56
4th Following Year	123.15	107.44
5th Following Year	113.15	127.29
Sum of Years 6 to 10	357.92	433.23
Thereafter	662.63	717.07

**H. Risk Exposure - Asset Volatility**

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk derivatives to minimize risk to an acceptable level.

**II. Compensated absences**

The compensated absences obligations for employees in India cover the Group's liability for leave, which is actuarially valued at each year end by applying the assumptions referred in 'E' above.

The amount of the provision of ₹ 53.94 lakhs (as at March 31, 2024: ₹ 57.44 lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement of these obligations.

**III. Details of Defined Contribution Plan**

The Company also has certain defined contribution plans. Contributions are made to provident and other funds in India for employees as per regulations. The contributions are made to registered provident fund, ESIC, etc. which are administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plan are ₹ 352.2 lakhs (Previous year ₹ 332.49 lakhs) in the Statement of Profit and Loss.

**42 Interest in Other entities**

The Consolidated Financial Statements present the Consolidated Accounts of Zodiac Clothing Company Limited with its following Subsidiary and step down subsidiaries:

Name of the Subsidiary and step down subsidiaries:	Country of Incorporation	Proportion of Ownership of Interest	
		As at March 31, 2025	As at March 31, 2024
a) Zodiac Clothing Co. S.A.	Switzerland	100%	100%
b) Zodiac Clothing Co. (UAE) LLC.	UAE **	100%	100%
c) Zodiac Clothing Bangladesh Limited	Bangladesh	100%	100%
d) Zodiac Clothing Company INC	USA	100%	100%
e) Zela Technologies INC (from February 28, 2024)	USA	100%	100%
f) Zodiac Clothing Company Private Limited (from June 5, 2024)	UK	100%	-

\*\* The shareholders of this subsidiary are Mrs. Muna Mahmood Mohd. Mahmoud (51%) and M/s. Zodiac Clothing Co S.A. (49%). As per the mutual agreement between the shareholders, Mrs. Muna Mahmood Mohd. Mahmoud is holding 51% shares for and on behalf of M/s. Zodiac Clothing Co S.A. who is the beneficial owner.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**43 For Disclosures mandated by Schedule III of Companies Act 2013, by way of additional information, refer below:**

Name of the Entities		2023-24				2024-25			
		Net Assets i.e. total assets minus total liabilities	Share in profit / (loss)	Share in other Comprehensive Income	Share in total Comprehensive Income	Net Assets i.e. total assets minus total liabilities	Share in profit / (loss)	Share in other Comprehensive Income	Share in total Comprehensive Income
As a % of consolidated net assets	Amount	As a % of consolidated Profit / (Loss)	Amount	As a % of consolidated Profit / (Loss)	Amount	As a % of consolidated Profit / (Loss)	Amount	As a % of consolidated Profit / (Loss)	Amount
<b>Parent:</b>									
- Indian									
Parent:									
Name of the Subsidiary and step down subsidiaries									
Zodiac Clothing Co. (UAE) LLC.									
- Foreign									
Zodiac Clothing Co. S.A.	90.74%	22,329.63	95.86%	(3,486.58)	68.47%	224.84	98.57%		(3,261.74)
Zodiac Clothing Co. (UAE) LLC.									
Zodiac Clothing Co. (UAE) LLC.	1.19%	294.02	-0.14%	5.07	1.67%	5.47	-0.32%	10.54	
Zodiac Clothing Co. (UAE) LLC.	10.98%	2,702.26	0.56%	(20.39)	-16.02%	(52.62)	2.21%	(73.01)	
Zodiac Clothing Bangladesh Limited	3.42%	841.19	3.34%	(121.32)	-2.83%	(9.29)	3.95%	(130.61)	
Zodiac Clothing Company INC.	0.11%	26.99	-0.29%	10.57	-0.07%	(0.24)	-0.31%	10.33	
Zodiac Clothing Company INC.	0.00%	0.03	-	-	-	-	-	-	
Zela Technologies INC. (from February 28, 2024)									
-6.44%	(1,585.01)	0.67%	(24.69)	48.78%	160.23	-4.10%	135.54		
<b>Total</b>	<b>100.00%</b>	<b>24,609.11</b>	<b>100.00%</b>	<b>(3,637.34)</b>	<b>100.00%</b>	<b>328.39</b>	<b>100.00%</b>	<b>(3,308.95)</b>	
<b>Non Controlling Interest in subsidiaries</b>									
-	-	-	-	-	-	-	-	-	
<b>Grand Total</b>									<b>(3,308.95)</b>
<b>Parent:</b>									
Name of the Subsidiary and step down subsidiaries									
Zodiac Clothing Bangladesh Limited									
- Foreign									
Zodiac Clothing Co. S.A.	87.41%	17,965.39	108.37%	(4,031.09)	99.35%	(333.15)	107.63%	(4,364.24)	
Zodiac Clothing Co. (UAE) LLC.									
Zodiac Clothing Bangladesh Limited	1.48%	304.73	-0.02%	0.59	-3.02%	10.12	-0.26%	10.71	
Zodiac Clothing Bangladesh Limited	13.27%	2,727.94	0.18%	(6.54)	-9.61%	32.22	-0.63%	25.68	
Zodiac Clothing Bangladesh Limited	3.86%	792.55	3.76%	(139.97)	18.08%	(60.64)	4.95%	(200.61)	
Zodiac Clothing Company INC.	0.20%	40.63	-0.14%	5.08	0.00%	(0.00)	-0.13%	5.08	
Zodiac Technologies INC. (from February 28, 2024)	-0.12%	(24.21)	0.01	(18.98)	0.00%	-	0.47%	(18.98)	
Zodiac Clothing Company Pvt. Ltd. (from June 5, 2024)	0.00%	-	-	-	0.00%	-	0.00%	-	
<b>Intercompany Elimination &amp; Consolidation Adjustments</b>									
-6.10%	(1,252.85)	-12.68%	471.32	-4.81%	16.11	-12.02%	487.43		
<b>Total</b>	<b>100.00%</b>	<b>20,554.18</b>	<b>100.00%</b>	<b>(3,719.59)</b>	<b>100.00%</b>	<b>(335.34)</b>	<b>100.00%</b>	<b>(4,054.93)</b>	
<b>Non Controlling Interest in subsidiaries</b>									
-	-	-	-	-	-	-	-	-	
<b>Grand Total</b>									<b>(4,054.93)</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 44 Segment Information: Business Segment

#### Identification of Segments:

The chief operational decision maker (Managing Director) monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

**(i) The Group's business operations falls within a single primary business segment of 'clothing and clothing accessories'. Accordingly, the Group operation is a single segment in terms of its products.**

#### (ii) Entity wide disclosure

(a) Information about products and services - The Company's products falls under single product category i.e; clothing and clothing accessories.

(b) Information in respect of geographical area -

Particulars	India		Rest of the world		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year
Segment Revenue *	6,879.24	6,151.01	10,561.01	8,429.48	17,440.25	14,580.49
Carrying cost of segment Non Current assets**@	14,784.99	14,987.22	988.76	942.56	15,773.75	15,929.78

\* Based on location of Customers

\*\* Based on location of Assets

@ Excluding Financial Assets and deferred tax asset.

(c) Information about major customers - Revenues of approximately ₹ 1,437.56 Lakhs (Previous year ₹ 1,380.37 Lakhs) were derived from a single external customer.

### 45 Related Party Disclosures under IND AS 24

#### 1. Relationships:

(a)(i) Key Management Personnel:

Mr. Salman Yusuf Noorani	Vice Chairman & Managing Director
Mr. Mohamed Awais Jehangir Noorani	Whole Time Director (w.e.f 1st April, 2024)
Mr. Adnan Salman Noorani	Whole Time Director (w.e.f 1st April, 2024)
Mr. Mahabala Bealthur	Chief Financial Officer (CFO)
Mr. Kumar Iyer	Company Secretary

(ii) Non-Executive Directors:

Mr. Mohamed Anees Noorani	Chairman, Non-Executive Director
Mr. Vaman M. Apte	Independent Director
Dr. Naushad Forbes	Independent Director (upto 11th August, 2024)
Ms. Elizabeth Jane Hulse	Independent Director (upto 11th August, 2024)
Amb. Ahmad Javed	Independent Director (w.e.f 24th July, 2024)
Mr. Dilip J. Thakkar	Independent Director (w.e.f 24th July, 2024)
Mr. Subramaniam. R. Iyer	Non-Independent Director (w.e.f 12th August, 2024)
Mr. Y. P. Trivedi	Independent Director (upto 11th August, 2024)
Mr. Bernhard Steinruecke	Independent Director (upto 11th August, 2024)

(b) Relatives of key management personnel with whom the transactions have taken place:

Mr. Awais A. Noorani Son of Mr. A. Y. Noorani (upto 31st March, 2024)

(c) Enterprises over which key management personnel and / or their relatives are able to exercise significant influence and with whom transactions have taken place:

Zodiac Metropolitan Clothing Gmbh	Germany
Metropolitan Trading Company	India
Montage Corporation	India
Munraz Enterprises	India
Mustang Manufacturing Company	India
Mashal Enterprises	India
Miraj Marketing Company LLP	India

(d) Trust

Zodiac Clothing Co. Ltd. EMPL GGCA Scheme

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**45 Related Party Disclosures under IND AS 24 (Contd....)**

**2. Transactions carried out with related parties referred in 1 above, in ordinary course of business:**

Nature of transactions	Referred in 1(a) above			Referred in 1(b) above			Referred in 1(c) above			Referred in 1(d) above		
	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024	Year ended March 31, 2025	Year ended March 31, 2024
<b>Revenue from contracts with customers</b>												
Sale of Goods	-	-	-	-	-	-	560.40	831.70	-	-	-	-
Other Income	-	-	-	-	-	-	9.00	9.00	-	-	-	-
Rent	-	-	-	-	-	-	-	-	-	-	-	-
Expenses	73.01	1.33	-	-	49.10	-	-	-	-	-	-	-
Employee benefit expenses *	16.10	-	-	-	-	-	-	-	-	-	-	-
Interest Expense	22.85	22.34	-	-	-	-	112.69	109.54	-	-	-	-
Other Expenses	18.10	26.80	-	-	-	-	227.27	151.73	-	-	-	-
Rent	-	-	-	-	-	-	68.33	61.27	-	-	-	-
Commission to selling agents	-	-	-	-	-	-	-	-	-	-	-	-
Director Fees	-	-	-	-	-	-	-	-	-	-	-	-
Trade Mark Fees	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement of Expenses from Reimbursement of Expenses to	-	-	-	-	-	-	-	-	-	-	-	-
<b>Gratuity Fund contribution</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1.13</b>	<b>6.79</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Loan Received	440.00	39.00	-	-	-	-	13.70	4.67	-	-	-	-
Dividend Paid	-	-	-	-	-	-	-	-	-	-	-	-

\* This aforesaid amount does not include amount in respect of gratuity and compensated absences as the same is not determinable on individual basis and hence considered for disclosure on payment basis.

**3. Balances with related parties referred in 1 above, in ordinary course of business:**

Nature of transactions	Referred in 1(a) above			Referred in 1(b) above			Referred in 1(c) above		
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024				
<b>Outstandings:</b>									
Current borrowings	479.00	39.00	-	-	-	-	-	-	-
Trade Payables	66.57	40.16	-	-	-	-	-	-	-
Other Current Liabilities	81.06	81.06	-	-	-	-	-	-	-
Employee benefits payable	-	-	-	-	-	-	-	-	-
Contract Liabilities - Advance from customers	13.85	1.07	-	-	-	-	-	-	-
Other Current Financial Liabilities	-	-	-	-	-	-	-	-	-
Interest accrued but not due	-	-	-	-	-	-	-	-	-
Other payables	4.71	-	-	-	-	-	-	-	-
Loans (Security Deposit given)	-	-	-	-	-	-	-	-	-
Loans to related parties	-	-	-	-	-	-	-	-	-
Trade Receivables	-	-	-	-	-	-	-	-	-

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**45 Related Party Disclosures under IND AS 24 (Contd....)**

<b>4.</b>	<b>Disclosure in respect of material transactions with related parties during the year (included in 2 above)</b>	<b>Year ended March 31, 2024</b>	<b>Year ended March 31, 2023</b>
<b>Revenue from contracts with customers:</b>			
- Zodiac Metropolitan Clothing Gmbh	552.50	778.87	
- Mashal Enterprises	7.90	52.83	
<b>Other Income:</b>			
Rent			
- Metropolitan Trading Company	9.00	9.00	
<b>Expenses:</b>			
Employees benefit expenses			
- Mr. Awais A. Noorani	49.10	49.10	
- Mr. Adnan Noorani	23.91	-	
Interest expense			
- Mr. A. Y. Noorani	8.05	0.67	
- Mr. S. Y. Noorani	8.05	0.67	
Rent			
- Metropolitan Trading Company	89.44	87.06	
- Munraz Enterprises	-	17.34	
-Mustang Manufacturing Company	-	4.13	
-Montage Corporation	1.01	1.01	
-Mr. A. Y. Noorani	11.42	11.17	
-Mr. S. Y. Noorani	11.42	11.17	
- Mashal Enterprises	22.24	-	
Commission to selling agents			
- Zodiac Metropolitan Clothing Gmbh	227.27	151.73	
Director Fees (including service tax)			
- Mr. V. M. Apte	7.00	7.30	
- Mr. Y. P. Trivedi	2.50	6.90	
- Mr. S. R. Iyer	6.20	7.30	
-Dr.Naushad Forbes	0.90	1.90	
-Ms. Elizabeth Jane Hulse	0.50	0.50	
- Mr. Bernhard Steunruecke	1.00	2.90	
-Amb. Ahmed Javed	1.70	-	
-Mr. Dilip J Thakkar	4.40	-	
Trade Mark Fees			
- Metropolitan Trading Company	68.33	61.27	
Miscellaneous Expenses			
<b>Others</b>			
Reimbursement of Expenses from			
- Mashal Enterprises	1.13	6.79	
Reimbursement of Expenses to			
- Munraz Enterprises	5.64	4.67	
- Metropolitan Trading Company	8.06	-	
Paid to Trust			
- Zodiac Clothing Co. Ltd. EMPL GGCA Scheme	40.01	3.48	
<b>Loan to related parties:</b>			
Loan given			
- Mr. A. Y. Noorani	220.00	19.50	
- Mr. S. Y. Noorani	220.00	19.50	

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**45 Related Party Disclosures under IND AS 24 (Contd....)**

5.	<b>Disclosure in respect of material Outstanding balances with related parties as at year end (included in 3 above)</b>	<b>Year ended March 31, 2024</b>	<b>Year ended March 31, 2023</b>
	<b>Outstandings:</b>		
	<b>Current borrowings</b>		
	- Mr. A. Y. Noorani	239.50	19.50
	- Mr. S. Y. Noorani	239.50	19.50
	<b>Trade Payables</b>		
	- Zodiac Metropolitan Clothing Gmbh	-	32.92
	- Metropolitan Trading Company	263.00	230.79
	- Munraz Enterprises	63.39	68.57
	-Montage Corporation	3.72	2.70
	-Mustang Manufacturing Company	6.48	8.98
	- Director Sitting Fees	-	3.87
	- Mr. A. Y. Noorani - Payable for Rent	26.10	16.18
	- Mr. S. Y. Noorani - Payable for Rent	32.44	20.10
	- Mashal Enterprises	13.11	-
	- Mr. Mohamed Adnan Noorani	8.03	-
	<b>Other Current Liabilities - Employee benefits payable</b>	8.05	0.67
	- Mr. S. Y. Noorani - Remuneration	81.06	81.06
	<b>Other Current Financial Liabilities</b>		
	<b>- Interest accrued but not due</b>		
	- Mr. A. Y. Noorani	6.00	0.47
	- Mr. S. Y. Noorani	7.84	0.60
	<b>Other payables</b>	-	4.13
	Mr. A. Y. Noorani	2.35	-
	Mr. S. Y. Noorani	2.35	-
	<b>Security Deposit</b>	11.42	11.17
	- Metropolitan Trading Company	33.00	33.00
	- Munraz Enterprises	-	10.00
	- Mustang Manufacturing company	-	2.50
	<b>Loans to related parties</b>		
	- Onward LLC	432.69	485.80
	- Zodiac Metropolitan Clothing Gmbh	313.44	521.23
	<b>Trade Receivables</b>	6.20	7.30
	- Zodiac Metropolitan Clothing Gmbh	63.94	391.36
	- Mashal Enterprises	-	0.72

**Terms and Conditions:**

Transactions were done in ordinary course of business and on normal terms and conditions.

Outstanding balances are unsecured and repayable in cash.

Refer Note 39(ii)(b) in respect of transfer of Investment commitment by the Group to a related party.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 46 Fair Value Measurement:

#### (i) Financial Instrument by category and hierarchy.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

1. Fair value of trade receivables, cash and cash equivalents, other bank balances, current loans, other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Group based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The fair values for security deposits were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counter party credit risk. The interest rate on term deposits is at the prevailing market rates. Accordingly, fair value of such instrument is not materially different from their carrying amounts.

The interest rate on borrowing is at the prevailing market rates. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

#### **The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:**

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

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

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

Financial Assets and Liabilities as at March 31, 2025	Non Current	Current	Total	Fair Value through Profit and Loss			Fair Value through OCI			Carried at amortised cost	Total Amount
				Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	
<b>Financial Assets</b>											
<b>Investments</b>											
- Equity instruments	1,313.03	-	1,313.03	-	-	-	1,313.03	-	-	1,313.03	-
- Mutual funds	-	221.15	221.15	-	-	221.15	-	-	-	-	221.15
- Venture capital fund	2,296.25	-	2,296.25	-	2,296.25	2,296.25	-	-	-	-	2,296.25
<b>3,609.28</b>	<b>221.15</b>	<b>3,830.43</b>	<b>221.15</b>	<b>-</b>	<b>2,296.25</b>	<b>2,517.40</b>	<b>1,313.03</b>	<b>-</b>	<b>-</b>	<b>1,313.03</b>	<b>-</b>
<b>Other Assets</b>											
- Loans to Employees	12.65	9.48	22.13	-	-	-	-	-	-	-	22.13
- Derivative financial instruments	-	17.70	17.70	-	9.14	-	9.14	-	8.56	-	17.70
- Loans to related parties	744.09	-	744.09	-	-	-	-	-	-	744.09	744.09
- Other Financial Assets	973.94	164.99	1,138.93	-	-	-	-	-	-	1,138.93	1,138.93
- Trade receivable	-	2,064.07	2,064.07	-	-	-	-	-	-	-	2,064.07
- Cash and Cash equivalents	-	712.83	712.83	-	-	-	-	-	-	712.83	712.83
- Bank Balances other than cash and cash equivalents	-	1.11	1.11	-	-	-	-	-	-	1.11	1.11
<b>1,730.68</b>	<b>2,970.18</b>	<b>4,700.86</b>	<b>-</b>	<b>9.14</b>	<b>-</b>	<b>9.14</b>	<b>-</b>	<b>8.56</b>	<b>-</b>	<b>8.56</b>	<b>4,700.86</b>
<b>Financial Liabilities</b>											
- Borrowings	-	4,621.37	4,621.37	-	-	-	-	-	-	4,621.37	4,621.37
- Other Financial Liabilities	65.97	243.69	309.66	-	-	-	-	-	-	309.66	309.66
- Trade Payables	-	3,833.66	3,833.66	-	-	-	-	-	-	3,833.66	3,833.66
<b>65.97</b>	<b>8,698.72</b>	<b>8,764.69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,764.69</b>	<b>8,764.69</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**  
 (All amounts are in ₹ Lakhs, unless otherwise stated)

Financial Assets and Liabilities as at March 31, 2024	Non Current	Current	Total	Fair Value through Profit and Loss			Fair Value through OCI			Carried at amortised cost	Total Amount
				Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	
<b>Financial Assets</b>											
<b>Investments</b>											
- Equity instruments	1,744.68	-	1,744.68	-	-	-	1,744.68	-	-	1,744.68	-
- Bonds	97.85	-	97.85	-	-	-	97.85	-	-	97.85	-
- Mutual funds	-	2,068.17	2,068.17	-	-	2,068.17	-	-	-	-	2,068.17
- Mutual funds	2,543.26	-	2,543.26	-	-	2,543.26	-	-	-	-	2,543.26
<b>4,385.79</b>	<b>2,068.17</b>	<b>6,453.96</b>	<b>2,068.17</b>	<b>-</b>	<b>2,543.26</b>	<b>4,611.43</b>	<b>1,744.68</b>	<b>97.85</b>	<b>-</b>	<b>1,842.53</b>	<b>-</b>
<b>Other Assets</b>											
- Loans to Employees	10.09	5.36	15.45	-	-	-	-	-	-	15.45	15.45
- Derivative financial instruments	-	5.96	5.96	-	1.67	-	-	4.29	-	5.96	5.96
- Loans to related parties	1,007.04	-	1,007.04	-	-	-	-	-	-	1,007.04	1,007.04
- Other Financial Assets	978.27	23.93	1,002.20	-	-	-	-	-	-	1,002.20	1,002.20
- Trade receivable	-	2,108.37	2,108.37	-	-	-	-	-	-	2,108.37	2,108.37
- Cash and Cash equivalents	-	752.86	752.86	-	-	-	-	-	-	752.86	752.86
- Bank Balances other than cash and cash equivalents	-	1.87	1.87	-	-	-	-	-	-	1.87	1.87
<b>1,995.40</b>	<b>2,898.35</b>	<b>4,892.75</b>	<b>-</b>	<b>1.67</b>	<b>-</b>	<b>1.67</b>	<b>-</b>	<b>4.29</b>	<b>-</b>	<b>4.29</b>	<b>4,893.75</b>
<b>Financial Liabilities</b>											
- Borrowings	-	4,044.14	4,044.14	-	-	-	-	-	-	4,044.14	4,044.14
- Other Financial Liabilities	62.60	220.72	283.32	-	-	-	-	-	-	283.32	283.32
- Trade Payables	-	3,420.11	3,420.11	-	-	-	-	-	-	3,420.11	3,420.11
<b>62.60</b>	<b>7,684.97</b>	<b>7,747.57</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,747.57</b>	<b>7,747.57</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**(ii) Fair value of financial assets and liabilities measured at amortised cost:**

Foreign currency	As at March 31, 2025		As at March 31, 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>				
- Loans to Employees	22.13	20.30	15.45	14.17
- Security Deposits	949.97	1,111.07	951.47	1,094.84
<b>Total</b>	<b>972.10</b>	<b>1,131.37</b>	<b>966.92</b>	<b>1,109.01</b>

**(iii) Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices for quoted shares and mutual funds
- the fair value of forward exchange contracts is determined using forward exchange rates at the balance sheet date
- net asset value ('NAV') / fair market value ('FMV') are determined based on audited consolidated financial statements / valuation reports / NAV / FMV provided by fund manager
- the fair value of remaining financial instrument is determined using discounted cash flow analysis.

**(iv) Fair value measurements using significant unobservable inputs (level 3)**

The following table presents the changes in level 3 items for the periods ended March 31, 2025 and March 31, 2024:

	<b>Venture Capital Fund*</b>
<b>As at March 31, 2023</b>	<b>3,695.95</b>
Acquisitions	-
Disposal	(1,244.30)
Gain recognised in statement of profit and loss	91.61
<b>As at March 31, 2024</b>	<b>2,543.26</b>
Acquisitions	-
Disposal	(415.75)
Gain recognised in statement of profit and loss	168.74
<b>As at March 31, 2025</b>	<b>2,296.25</b>

\*The Group has invested in following funds and these funds have been further invested into various companies.

1. Faering Capital India Evolving Fund
2. Paragon Partners Growth Fund - I
3. Faering Capital India Evolving Fund II
4. Tata Capital Growth Fund
5. Tata Capital Healthcare Fund

The Group has considered fair market values based on audited consolidated financial statement and/or valuation reports and/or NAV / FMV statements provided by venture capital fund.

Investment commitment in respect of venture capital funds are on "as needed" basis and will be at face value. [Refer Note 39(ii)(b)]

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### 47 Financial Risk Management:

#### Financial risk management objectives and policies

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Group's financial risk management policy is set by the Management.

#### (A) Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments, future committed transactions, foreign currency receivables, payables, borrowings etc.

The Group manages market risk through its finance department (headed by CFO), which evaluates and exercises independent control over the entire process of market risk management. The finance department recommend risk management objectives and policies, which are approved by Senior Management and the Audit Committee. The activities of this department include management of cash resources, implementing hedging strategies for foreign currency exposures like foreign exchange forward contracts, option contracts, borrowing strategies and ensuring compliance with market risk limits and policies.

#### Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio, which could vary on either side based on current interest rates scenario.

According to the Group interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

#### Exposure to interest rate risk

Particulars	As at March 31, 2025	As at March 31, 2024
Total Borrowings	4,621.37	4,044.14
Borrowings bearing floating rate of interest	4,621.37	3,785.36
% of Borrowings out of above bearing variable rate of interest	100.00%	93.60%

#### Interest rate sensitivity

#### A change of 50 bps in interest rates would have following Impact on loss before tax

Particulars	2023-2024	2022-2023
50 bp increase- increase in loss *	23.11	18.93
50 bp decrease- decrease in loss *	(23.11)	(18.93)

\* Sensitivity is calculated based on the assumption that amount outstanding as at reporting dates were utilised for the whole financial year.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**Market Risk- Foreign currency risk**

The Group operates internationally and portion of the business is transacted in several currencies and consequently the Group is exposed to foreign exchange risk through its sales, purchases etc. in various foreign currencies. The Group evaluates exchange rate exposure arising from foreign currency transactions and the Group follows established risk management policies, including the use of derivatives like foreign exchange forward contracts and option contracts to hedge exposure to foreign currency risk.

**Derivative instruments and unhedged foreign currency exposure**

**(a) Derivative outstanding as at the reporting date**

Foreign currency	(Foreign Currency in Lakhs)			
	As at March 31, 2025		As at March 31, 2024	
	Sell Contract	Buy Contract	Sell Contract	Buy Contract
Forward Contracts USD	76.33	-	69.55	-
Forward Contracts EURO	6.78	-	6.37	-
Forward Contracts GBP	0.67	-	6.13	-

Derivative financial instruments such as foreign exchange forward and option contracts are used for hedging purposes and not as trading or speculative instruments. The Group designates these hedging instruments as cash flow hedges to hedge foreign currency risk in cash flow from firm commitment (sales order/purchase orders).

**(b) Particulars of unhedged foreign currency exposures as at the reporting date**

Particulars	As at March 31, 2025			As at March 31, 2024		
	USD	EURO	GBP	USD	EURO	GBP
Trade payables	6.14	* 0.00	-	4.83	-	-

Particulars	As at March 31, 2025			As at March 31, 2024		
	USD	EURO	GBP	USD	EURO	GBP
Trade Receivables	13.91	7.74	0.59	14.09	5.95	3.80

\*amount is below the rounding off norms adopted by the group.

**Foreign Currency Risk Sensitivity**

**A change of 5% in Foreign currency would have following Impact on loss before tax**

Particulars	2024-25		2023-24	
	5% Increase	5% decrease	5% Increase	5% decrease
USD	(32.39)	32.39	(38.60)	38.60
EURO	(34.92)	34.92	(26.84)	26.84
GBP	(3.12)	3.12	(20.01)	20.01
<b>Increase / (decrease) in loss</b>	<b>(70.43)</b>	<b>70.43</b>	<b>(85.45)</b>	<b>85.45</b>

**Market Risk- Price Risk**

**(a) Exposure**

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the balance sheet at fair value through Other Comprehensive Income. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. Diversification of portfolio is done in accordance with limits set by the Group.

**(b) Sensitivity**

(i) The table below summarises the impact of increases/decreases of the BSE index on the Group's equity and other comprehensive income for the year arising from portfolio of investment in equity shares of listed companies. The analysis is based on the assumption that the index has increased by 10 % or decreased by 10 % with all other variables held constant, and that all the Group's equity instruments moved in line with the index.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Impact on other comprehensive income	
	March 31, 2025	March 31, 2024
BSE Sensex 30- Increase 10%	131.30	174.47
BSE Sensex 30- Decrease 10%	(131.30)	(174.47)

Above referred sensitivity pertains to quoted equity investment (Refer Note 8). Other Comprehensive Income for the year would increase/ (decrease) as a result of gains/losses on equity securities as at fair value through Other Comprehensive Income.

(ii) The table below summarises the impact of increases/decreases in the net asset value (NAV) / fair market value (FMV) of Company's investment in venture capital fund units and statement of profit and loss for the year arising from portfolio of investment in venture capital funds. The analysis is based on the assumption that the NAV / FMV has increased by 10% or decreased by 10% with all other variables held constant, and that all the Company's venture capital funds moved in same direction.

Particulars	Impact on loss before tax*	
	March 31, 2025	March 31, 2024
- Increase 10%	229.63	254.33
- Decrease 10%	(229.63)	(254.33)

\*Loss before tax would change as a result of gain/loss on financial instruments classified as at fair value through profit and loss.

(iii) The table below summarises the impact of increases/decreases in the net asset value (NAV) of Company's investment in mutual fund units and statement of profit and loss for the year arising from portfolio of investment in mutual funds. The analysis is based on the assumption that the NAV has increased by 10% or decreased by 10% with all other variables held constant, and that all the Company's mutual funds moved in same direction.

Particulars	Impact on loss before tax*	
	March 31, 2025	March 31, 2024
- Increase 10%	22.12	206.82
- Decrease 10%	(22.12)	(206.82)

\*Loss before tax would change as a result of gain/loss on financial instruments classified as at fair value through profit and loss.

(iv) The table below summarises the impact of increases/decreases in the market value of Group's investment in bonds and statement of profit and loss for the year arising from portfolio of investment in bonds. The analysis is based on the assumption that the market value has increased by 10% or decreased by 10% with all other variables held constant.

Particulars	Impact on loss before tax*	
	March 31, 2025	March 31, 2024
- Increase 10%	-	9.79
- Decrease 10%	-	(9.79)

\*Loss before tax would change as a result of gain/loss on financial instruments classified as at fair value through profit and loss.

**(B) Credit risk**

Credit risk is the risk of incurring a loss that may arise from a borrower or debtor failing to make required payments. Credit risk arises mainly from trade receivables, cash and cash equivalents, deposit with banks, derivative financial instruments, investments, loan to employee and security deposits. The Group manages and analyses the credit risk for each of its new customers before standard payment and delivery terms and conditions are offered.

Credit risk on cash and cash equivalents, deposit with banks, derivative financial instruments and investment is limited as Group generally deals with banks and financial institutions with high credit ratings assigned by credit rating agencies. Investments primarily include investment in liquid mutual and accredited venture fund.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts are in ₹ Lakhs, unless otherwise stated)

While loans and security deposits for rental premises, loan to related parties and loan to employees are subjected to the impairment requirement of Ind AS 109, the identified impairment loss was immaterial.

(i) Credit risk management:

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instrument, which requires expected lifetime losses to be recognised from initial recognition of the receivables. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information.

Sale to retail customers are required to be settled in cash or using major cards, mitigating credit risk. There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors or regions.

In respect of sales to export customers (including sales done by subsidiary), there are no past history of losses, thus the identified expected credit loss was immaterial.

Credit risk for domestic trade receivable is managed by the Group through credit approvals, establishing credit limits and periodic monitoring of the creditworthiness of its customers to which the Group grants credit terms in the normal course of business.

**Loss allowance for expected credit losses**

**The Group provides for expected credit loss on trade receivables under simplified approach**

**As at March 31, 2025**

Particulars	Total
Gross carrying amount	446.02
Expected Credit loss - measured at life -time expected credit loss	398.60
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>47.42</b>

**As at March 31, 2024**

Particulars	Total
Gross carrying amount	457.56
Expected Credit loss - measured at life -time expected credit loss	398.60
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>58.96</b>

**Reconciliation of loss allowance – Trade receivables**

Particulars	As at March 31, 2025	As at March 31, 2024
<b>Opening provision</b>	398.60	398.60
Add:- Additional provision made	-	-
<b>Closing provisions</b>	<b>398.60</b>	<b>398.60</b>

No Significant changes in estimation techniques or assumptions were made during the year.

**Significant estimates and judgements:**

Impairment of financial assets

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**(C) Liquidity Risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Group's finance department maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Group's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

**(i) Financing arrangements**

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2025	As at March 31, 2024
Floating Rate		
Expiring within one year (Current Borrowing facilities)	889.63	1,259.37
Expiring beyond one year (bank loans)	-	-

The bank loan facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the non-continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time.

**ii) Maturity patterns of borrowings**

Particulars	As at March 31, 2025				As at March 31, 2024			
	0-1 years	1-5 years	beyond 5 years	Total	0-1 years	1-5 years	beyond 5 years	Total
Non current borrowings (Including current maturity of long term debt)	-	-	-	-	258.78	-	-	258.78
Current borrowings	4,621.37	-	-	4,621.37	3,785.36	-	-	3,785.36
<b>Total</b>	<b>4,621.37</b>	-	-	<b>4,621.37</b>	<b>4,044.14</b>	-	-	<b>4,044.14</b>

**Maturity patterns of Financial Liabilities - other than borrowings**

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments -

As at March 31, 2025	0 - 3 months	3 - 6 months	6 - 12 months	beyond 12 months	Total
Trade Payable	3,234.70	242.24	82.81	273.91	3,833.66
Lease Liabilities	290.79	209.71	431.12	3,873.01	4,804.63
Other Financial Liabilities	127.25	63.36	19.98	99.07	309.66
<b>Total</b>	<b>3,652.74</b>	<b>515.31</b>	<b>533.91</b>	<b>4,245.99</b>	<b>8,947.95</b>

As at March 31, 2024	0 - 3 months	3 - 6 months	6 - 12 months	beyond 12 months	Total
Trade Payable	2,930.26	131.63	358.22	-	3,420.11
Lease Liabilities	287.27	279.39	526.25	3,466.43	4,559.34
Other Financial Liabilities	146.45	73.20	1.07	62.60	283.32
<b>Total</b>	<b>3,363.98</b>	<b>484.22</b>	<b>885.54</b>	<b>3,529.03</b>	<b>8,262.77</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**47 Financial risk management (contd.)**

**Impact of Hedging Activities**

**(a) Disclosure of effects of hedge accounting on financial position:**

**Cash flow hedge of Foreign exchange risk as at March 31, 2025:**

Particulars	Nominal value	Carrying amount of hedging instrument	Hedge ratio*	Changes in fair value of hedging instrument	Change in the value of hedged item used as a basis for recognising hedge effectiveness
Foreign exchange forward contracts - SELL	7,285.72	11.87	1:1	11.87	11.87

**Cash flow hedge of Foreign exchange risk as at March 31, 2024:**

Particulars	Nominal value	Carrying amount of hedging instrument	Hedge ratio*	Changes in fair value of hedging instrument	Change in the value of hedged item used as a basis for recognising hedge effectiveness
Foreign exchange forward contracts - SELL	7,019.22	5.96	1:1	5.96	5.96

**(b) Disclosure of effects of hedge accounting on financial performance:**

**Cash flow hedge March 31, 2025**

Particulars	Change in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedging reserve to statement of profit and loss	Line item affected in the statement of profit and loss because of the reclassification
Foreign exchange risk	11.87	-	(5.96)	Revenue
	<b>11.87</b>	<b>-</b>	<b>(5.96)</b>	

**Cash flow hedge March 31, 2024**

Particulars	Change in the value of the hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised in statement of profit and loss	Amount reclassified from cash flow hedging reserve to statement of profit and loss	Line item affected in the statement of profit and loss because of the reclassification
Foreign exchange risk	5.96	-	1.41	Revenue
	<b>5.96</b>	<b>-</b>	<b>1.41</b>	

Amount in bracket represents expense/ loss

\* The foreign exchange forward contracts and option contract are denominated in the same currency as the firm commitment (sales order/purchase orders), therefore the hedge ratio is 1:1.

The Group's hedging policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The Group enters into hedge relationships where the critical terms of hedging instrument match exactly with the terms of the hedged items, and so a qualitative assessment of effectiveness is performed.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

**Movements in cash flow hedging reserve**

Derivative Instrument	Foreign exchange forward contracts - SELL	Foreign exchange forward contracts - BUY	Foreign exchange options	Total
<b>Balance – As at March 31, 2023</b>	<b>(1.03)</b>	-	-	<b>(1.03)</b>
Change in fair value of foreign exchange forward contract	5.96	-	-	<b>5.96</b>
Change in intrinsic value of foreign currency options	-	-	-	-
Amount reclassified to profit or loss	1.41	-	-	<b>1.41</b>
Deferred tax relating to the above (net)	(2.05)	-	-	<b>(2.05)</b>
<b>Balance – As at March 31, 2024</b>	<b>4.29</b>	-	-	<b>4.29</b>
Change in fair value of foreign exchange forward contract	11.87	-	-	<b>11.87</b>
Change in intrinsic value of foreign currency options	-	-	-	-
Amount reclassified to profit or loss	(5.96)	-	-	<b>(5.96)</b>
Deferred tax relating to the above (net)	(1.64)	-	-	<b>(1.64)</b>
<b>Balance – As at March 31, 2025</b>	<b>8.56</b>	-	-	<b>8.56</b>

Amount in bracket represents expense/ loss

**48 Capital Management**

The Group aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to the shareholders.

The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The Group's management monitors the return on capital as well as the level of dividends to shareholders.

**49** (a) The Code on Social Security, 2020 ('Code') relating to employee benefits received Presidential assent in September 2020. However, the date on which the Code will come into effect has not yet been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

(b) No Significant Subsequent events have been observed which may require an adjustments to the consolidated financial statements.

**50 Additional Regulatory Information and Disclosures as required by Schedule III**

**a)** Details of benami property held:

No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder."

**b)** Borrowing secured against current assets:

Parent Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Parent Company with banks are in agreement with the books of accounts.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

### c) Wilfuldefaulter:

Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

### d) Relationship with struck off companies:

The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

### e) Compliance with number of layers of companies:

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

### f) Compliance with approved scheme(s) of arrangements:

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

### g) Registration of charges or satisfaction with Registrar of Companies:

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

### h) Utilisation of borrowed funds and share premium:

The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(i). 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

(ii). provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(i). 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

(ii). provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

### i) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

### j) Details of crypto currency or virtual currency:

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

### k) Valuation of PP&E, intangible asset and investment property:

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

### l) Utilisation of borrowings availed from banks and financial institutions:

The borrowings obtained by the Parent Company from banks and financial institutions have been applied for the purposes for which such loans were taken.

**m)** The Company's international transactions and domestic transactions with related parties are at arm's length as per the independent accountants report for the year ended 31 March 2024. Management believes that the Group's international transactions and domestic transactions with related parties for the year ended 31 March 2025 and post 31 March 2025 continue to be at arm's length and that the transfer pricing legislation will not have any impact on these consolidated financial statements, particularly on amount of tax expense and that of provision for taxation.

### n) Following disclosures are not applicable for consolidated financial statements as per Schedule III:

(a) Title deeds of immoveable properties

(b) Accounting ratios

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

- o) Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS and as required by Schedule III of the Act.
- 51 There are no significant subsequent events that would require adjustments or disclosures in the Consolidated Financial Statements as on balance sheet date.
- 52 The Holding Company has used an accounting software for maintaining its books of account during the current year which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year has been preserved by the Holding Company as per the statutory requirements for record retention to the extent it was enabled and recorded in previous year.

The Holding Company has used revenue accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except that no audit trail feature was enabled at the database level in respect of an accounting software to log any direct data changes.

Further, where enabled, audit trail feature has been operated for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail of prior year has been preserved by the Holding Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the previous year.

- 53 These Consolidated Financial Statements were authorised for issue by the directors on May 28, 2025.

As per our attached report of even date

**For M S K A & Associates**

**Chartered Accountants**

Firm Registration Number: 105047W

**Ankush Agrawal**

Partner

Membership No. 159694

Mumbai

Date: May 28, 2025

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

**Zodiac Clothing Company Limited**

CIN: L17100MH1984PLC033143

**S. Y. NOORANI**

Vice Chairman and  
Managing Director  
DIN: 00068423

**AWAIS J. NOORANI**

Executive Director - Exports  
DIN: 00951424

**B. MAHABALA**

Chief Financial Officer  
Mumbai  
Date: May 28, 2025

**KUMAR IYER**

Company Secretary  
Membership No. ACS9600



Vegas Mall, New Delhi



Indiranagar, Bengaluru

## NOTES

## NOTES

## NOTES