Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Rathi Industries Limited (hereinafter referred to as the 'Holding Company'), its subsidiary (the Holding Company and its subsdiary together referred to as the 'Group') comprising of the consolidated Balance sheet as at 31 March 2025, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Statement of Cash Flows and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policies 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 the consideration of reports of other auditors on separate financial statements and on the other financial information of its subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its subsdiary as at 31 March 2025, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for opinion

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

Key audit matters

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

Other information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Chairman's letter, Management Discussion and Analysis, Business Responsibility and Sustainability Report, Corporate Governance and Directors' Report, but does not include the consolidated financial statements and our auditors' 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 such 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 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 terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its subsidiary in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its subsidiary are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its subsidiary are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its subsidiary are also responsible for overseeing the financial reporting process of their respective companies.

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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional 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 financial statements in place and the operating effectiveness of such controls.

•Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

•Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its subsidiary to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Group and its subsidiary 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 and its subsidiary of which we are the independent auditors and whose financial information we have audited, 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 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 financial year ended 31 March 2025 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other matter

We did not audit the financial statement of one subsidiary included in the consolidated financial statements.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to the financial statements certified by the Management.

Report on other legal and regulatory requirements

1.As required by the Companies (Auditor's Report) Order, 2020 (the 'Order' or 'CARO'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary company incorporated in India, there are no matters which require reporting as specified as in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiary, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a)We/the other auditors whose report we have relied upon 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 consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors.
(c)The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Statement of Cash Flows and the consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the 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, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary company, none of the directors of the Group's companies, incorporated in India, is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164 (2) of the Act;.

(f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in 'Annexure 1' to this report;

(g) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiary, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its subsidiary in its consolidated financial statements – Refer note 29 to the consolidated financial statements;

ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts during the year ended 31 March 2025;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India during the year ended 31 March 2025.

iv. a)The management of the Parent Company has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or

invested (either from borrowed funds or share premium or any other source or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether, recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act, 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 (a) and (b) contain any material mis-statement.

v. The group has neither declared nor paid any dividend during the year.

h) Based on our examination which included test checks, the Parent company has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. We did not come across any instance of the audit trail feature being tampered with.

3) The Parent Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.



For Gada Chheda & CO. LLP
(Chartered Accountants)
FRN: W100059

(CA. Ronak P. Gada)
(Partner)
M. No. 146825

Place: Chhapraula
Date: 14th August, 2025

Annexure 1 to Independent Auditors' Report

Referred to in paragraph 2(g) under the heading 'Report on other legal and regulatory requirements' of our report of even date to the members of Rathi Industries Limited

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

In conjunction with our audit of the consolidated financial statements of Rathi Industries Limited (hereinafter referred to as the 'Holding Company') as of and for the year ended 31 March 2025, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary (the Holding Company and its subsidiary together referred to as the 'Group'), which are companies incorporated in India, as of that date.

Management's responsibility for internal financial controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Companies Act, 2013.

Auditors' responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent limitations of internal financial controls 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 controls 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.

Opinion

In our opinion, the Group, which are companies incorporated in India, have, maintained in all material respects, 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 31 March 2025, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other matters

In our opinion, the Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system 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 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 on Audit of Internal Financial Controls over financial reporting issued by the Institute of Chartered Accountants of India.

For Gada Chheda & CO. LLP
(Chartered Accountants)
FRN: W100059



(CA. Ronak P. Gada)
(Partner)
M. No. 146825

Place: Chhapraula
Date: 14th August, 2025

RATHI INDUSTRIES LTD.

RATHI INDUSTRIES LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2025

(Amounts in Rs. Lakhs)

Particulars	Note No.	As at 31st March, 2025	As at 31st March, 2024
ASSETS			
1. Non-current Assets			
(i) Property Plant and Equipment	1	16,413	14,046
(ii) Capital work-in-progress		75	
(iii) Investment Property	2	4,650	4,887
(iv) Goodwill		-	-
(v) Other Intangible Assets		-	-
(vi) Intangible Assets and Development		-	-
(vii) Biological Assets other than Bearer Plants		-	-
(viii) Deferred Tax Assets (net)		-	-
(ix) Other Non Current Assets	3	358	50
Total Non-Current Assets (A)		**21,496**	18,983
2. Current assets			
(i) Inventories	4	6,832	4,953
(ii) Financial Assets			
(a) Investments	5	-	-
(b) Trade receivables	6	7,931	6,972
(c) Cash and Cash Equivalents		21	7
(d) Bank Balances other than cash & cash	7	53	7
(e) Loans		-	-
(f) Other Financial assets		-	-
(iii) Current Tax Assets (Net)	8	96	78
(iv) Other Current Assets	9	1,394	1,945
Total Current Assets (B)		**18,327**	13,962
Total Assets (A+B)		**39,823**	32,945
EQUITY AND LIABILITIES			
Equity			
a) EquityShare capital	10	1,002	846
b) Other Equity	11	26,845	23,063
Total Equity		**27,847**	23,709
Liabilities			
1. Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	2,719	74
(b) Provisions		22	24
(c) Defferred Tax Liabilities (Net)	14	443	592
(d) Other Non- Current Liabilities	15	1,214	407
Total Non-Current Liabilities		**4,398**	1,097
2. Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	2,636	4,376
(ii) Trade Payables	17	3,503	1,676
(iii) Other Financial Liabilities		-	-
(b) Other Current Liabilities	18	1,291	2,010
(c) Provisions	19	148	77
(d) Current Tax Liabilities (Net)		-	-
Total Current Liabilities		**7,578**	8,139
Total Equity and Liabilities		**39,823**	32,945

Significant Accounting Policies and Notes on accounts as per our report of even date attached.

For GADA CHHEDA & CO. LLP
Chartered Accountants
FRN: W 100059

(CA. Ronak P. Gada)
Partner
Membership No. 146825

Date: 14-08-2025
Place: Chhapraula

For and on behalf of the Board of Directors of Rathi Industries Limited

Vikas Rathi
(Managing Director)
DIN:01118409

Mukesh Bhardwaj
(Whole Time Director)
DIN:01257936

Vinay Rathi
(Chief Financial Officer)
DIN: 00137502

Ankesh Vig
(Company Secretary)

RATHI INDUSTRIES LTD.

RATHI INDUSTRIES LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

(Amounts in Rs. Lakhs)

Particulars	Note No.	Year ended 31st March,2025	Year ended 31st March,2024
REVENUE			
Revenue from operations	20	89,177	69,706
Other income	21	65	125
Total revenues (I+II)		**89,242**	69,831
EXPENSES			
Cost of raw material consumed	22	41,114	9,762
Purchase of stock-in-trade	23	42,169	57,212
Changes in inventories of finished goods and stock in trade	24	945	602
Employee benefits expenses	25	440	162
Finance costs	26	521	579
Depreciation and amortization expenses		576	143
Other expenses	27	2,592	953
Total expenses (IV)		**88,357**	**69,413**
Profit/(loss) before exceptionaal and tax		885	418
Share of Profit/(Loss) of Associates			
Exceptional items			-
Profit/(loss) before tax		885	418
Add. Defferred Tax	28	76	69
Tax Expenses			
Current Tax		148	76
Profit/(loss) for the period from continuing opertaions		**813**	**273**
Profit/(loss) from discontinued opertaions		-	-
Tax Expenses from discontined opertaions		-	-
Profit/(loss) from discontined opertaions		-	-
Profit /(loss) for the period		813	273
Other Comprehensive Income		-	-
A (i) Items that will not be reclassified to profit or loss		-	-
(ii) Income Tax relating to items that will not be reclassified to		-	-
B(i) Items that will be reclassified to profit or loss		-	-
(ii) Income Tax relating to items that will be reclassified to		-	-
Total Comprehensive Income for the period comprising Profit(Loss) and Other Comprehensive Income for the Period		813	273
Earnings per Equity Share (Rs.) (For Continuing Operation):			
1. Basic			5.98
2. Diluted			5.98
Earnings per Equity Share (Rs.) (For Discontinued Operation):			
1. Basic		-	-
2. Diluted		-	-
Earnings per Equity Share (Rs.) (For Discontinued & Continuing Operation):			
1. Basic		5.98	5.98
2. Diluted		0.00	5.98

As per our report of even date attached .
For GADA CHHEDA & CO. LLP
Chartered Accountants
FRN: W 100059

(CA. Rotak P. Gada)
Partner
Membership No. 140825

Date: 14-08-2025
Place: Chhapraula

For and on behalf of the Board of Directors of Rathi Industries Limited

Vikas Rathi
(Managing Director)
DIN:01188409

Mukesh Bhardwaj
(Whole Time Director)
DIN:01257936

Vinay Rathi
(Chief Financial Officer)
DIN: 00137502

Ankush Vig
(Company Secretary)

RATHI INDUSTRIES LTD.

RATHI INDUSTRIES LIMITED

COSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st March, 2025

(Amounts in Rs. Lakhs)

Particulars	FOR THE YEAR ENDED	
	31.03.2025	31.03.2024
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before taxation and extraordinary items	813	273
Add:Adjustment for :		
Depreciation	577	143
Financial Charges	521	579
(Profit) / Loss on sale of Vehicle	(17)	(1)
Operating Profit before working capital Changes	**1,893**	994
Adjustment for change in Working Capital	(4,812)	(1,077)
Financial Charges	(521)	(579)
Cash Flow before extra ordinary items	(3,440)	(662)
Prior year adjustments :	76	416
Mat Credit Entitlement		
Net Cash from Operating Activities (A)	(3,364)	(246)
B).CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase) & Sale of Fixed Assets (Net)	(2,161)	(2,883)
Funds inflow from Non- Current Assets	(308)	134
(Purchase) & Sale of Investments (Net)	237	(4,539)
Increase in the value of Land on its revaluation	-	8,452
Preliminery expenses paid	-	-
Net Cash used in Investing Activities (B)	**(2,232)**	**1,164**
C).CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Non Current Liabilities	**656**	(347)
Proceeds from Long Term Borrowing (Net)	2,591	(952)
Proceeds from other equity -Share Premium	2,410	342
Proceeds from Equity	356	
Proceeds from Short Term Borrowing	-	-
Net Cash used in Financing Activities (C)	**5,657**	**(957)**
Net increase in Cash and cash equivalents (A+B+C)	61	(39)
Cash and Cash equivalents (Previous year)	13	52
Cash and Cash equivalents (Current Year)	74	13

The accompanying significant accounting policies and notes to accounts are an integral part of financial statement

As per our report of even date attached .
For GADA CHHEDA & CO. LLP
Chartered Accountants
FRN: W 100059

(CA. Ronak P. Gada)
Partner
Membership No. 146825

Date: 14-08-2025
Place: Chhapraula

For and on behalf of the Board of Directors of Rathi Industries Limited

Vikas Rathi
(Managing Director)
DIN:01188409

Mukesh Bhardwaj
(Whole Time Director)
DIN:01257936

Vinay Rathi
(Chief Financial Officer)
DIN: 00137502

Ankush Vig
(Company Secretary)

RATHI INDUSTRIES LTD.

RATHI INDUSTRIES LTD.

Note No.: 1 **Property Plant & Equipment**

AMOUNT IN RS. In Lacs

DESCRIPTION	GROSS VALUE				DEPRECIATION				NET VALUE	
	As at 1.4.2024	Addition during the year	Disposal during the year	Total As at 31.03.2025	Upto 31.03.2024	Provided during the year	Adjustment for earlier years dep.	Total Upto 31.03.2025	As at 31.03.2025	As at 31.03.2024
Land	12,260	4	48	12,216	-	-	-	-	12,216	12,199
Building	616	64		720	285	38		323	397	202
Plant & Machinery	3,753	1,009	365	4,396	290	451	41	699	3,697	1,346
Rolling Mill Rolls	81	28	11	99	58	34	0	91	7	10
Furniture & Fixture	43	-	-	43	33	2	-	35	8	9
Computer	35	1	-	34	30	2		32	2	3
Office Equipment	41	3	-	44	38	2		40	4	4
Vehicle	551	15	80	476	408	46	60	395	81	94
(A)	17,418	1,124	514	18,028	1,142	576	102	1,616	16,413	13,867
Capital Work in Progress (B)	473	611	1,009	75	-	-	-	-	75	184
TOTAL (A+B)	17,891	1,735	1,523	18,104	1,142	576	102	1,616	16,488	14,050
PREVIOUS YEAR - ENDING ON 31.03.2024	19,844	5,497	10,221	14,920	6,917	343	6,186	873	14,046	12,727

RATHI INDUSTRIES LTD.

RATHI INDUSTRIES LIMITED

Note No:2
Investment Property

(Amount in Rs. Lakhs)

Particulars		As at 31st March, 2025	RIL	RISPL	As at 31st March, 2024
Investment in Land		4,600	4,600	-	4,887
Total		4,600	4,600	-	4,887

Note No:3
Other non-current Assets

(Amount in Rs. Lakhs)

Particulars		As at 31st March, 2025			As at 31st March, 2024
Security Deposit		124	7	117	50
Pre-operative Expenses		-	-	-	-
Other loans and advances		234	234	-	-
Advance for Land		-	-	-	-
Provident Withdrawls A/c		-	-	-	-
Insurance Claim Receivable		-	-	-	-
Regulatory Surcharge paid under protest		-	-	-	-
Total		358	241	117	50

Note No:4
Inventories

(Amount in Rs. Lakhs)

Particulars		As at 31st March, 2025			As at 31st March, 2024
Raw materials		2,481	-	2,481	249
Finished goods		443	-	443	351
Stock in trade		51	17	34	145
Stores and spares		42	-	42	16
Stock in Trade Land		3,725	3,725		3,893
Stock of Redwood Machinery		77	-	77	44
Stock of Dismantle Machinery Scrap		54	54		113
Oil & Fuel		7	-	7	39
Total		6,881	3,796	3,084	4,951

Note No:5
Investment

(Amount in Rs. Lakhs)

Particulars		As at 31st March, 2025			As at 31st March, 2024
Investment in Shares and Securities		4,303	3,915	388	-
Total		4,303	3,915	388	-

RATHI INDUSTRIES LIMITED

Note No:6
Trade receivables

(Amount in Rs. Lakhs)

Particulars		As at 31st March, 2025			As at 31st March, 2024
Trade receivable outstanding for 1 period exceeding six months from due date Unsecured, considered good		86	86	-	75
Other trade receivables Unsecured, considered good		7,845	3,872	3,973	6,899
Total		7,931	3,958	3,973	6,974

Trade Receivable Aging Schedule
*Trade Debtors

RATHI INDUSTRIES LTD.

F.Y. 2024-25

Outstanding for following Periods from due date of Payments due date of payment

	Less than 6 months	6 months-1 years	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables considered goods	7,845	86	-	-		7,931
(ii) Undisputed Trade receivables considered doubtful	-	-	-	-		-
(iii) Disputed Trade receivables considered good	-	-	-	-		-
(iv) Disputed Trade receivables considered doubtful	-	-	-	-		-
	7,845	86	-	-	-	7,931

F.Y. 2023-24

Outstanding for following Periods from due date of Payments due date of payment

	Less than 6 months	6 months-1 years	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables considered goods	6,899	73	-	-		6,972
(ii) Undisputed Trade receivables considered doubtful	-	-	-	-		-
(iii) Disputed Trade receivables considered good	-	-	-	-		-
(iv) Disputed Trade receivables considered doubtful	-	-	-	-		-
	6,899	73	-	-	-	6,972

Note No:7
Bank Balances other than Cash and cash equivalents

(Amount in Rs. Lakhs)

Particulars		As at 31st March, 2025			As at 31st March, 2024
Bank Balances other than Cash and cash equivalents					
Balances with banks					
In current accounts		53	9	44	7
FDRs & RD with scheduled banks					-
Total		53	9	44	7

RATHI INDUSTRIES LIMITED

Note No:8
Current Tax Assets (Net)

(Amount in Rs. Lakhs)

Particulars		As at 31st March, 2025			As at 31st March, 2024
Current Tax Assets (Net)					
TDS on Sale 2024-25		48	26	22	-
TDS on Sale 2023-24		2	-	2	31
TDS on Sale 2022-23					2
TDS on Sale Receivable 2024-25		6	-	6	-
TDS on Royalty 2023-24		-	-		0
TDS on Royalty 2024-25		0	0		0
TDS on Rent Received 2023-24		-	-		24
TDS on Rent Received 2024-25		24	24		-
TCS on Purchase 2024-25		0	0		0
TDS on Commission 2024-25		1	1		-
TDS on Technical Consultancy 2024-25		4	4		
Income Tax Refund Receivable A.Y 2020-21		3	3		0
TCS on Electricity Security 2024-25		2	1	1	-
TDS on Legal & Professional 2024-25		3	3		-
TDS Receivable 2023-24		-	-		11
Total		96	63	33	78

Note No:9
Other Current Assets

(Amount in Rs. Lakhs)

Particulars		As at 31st March, 2025			As at 31st March, 2024
Other current assets					
Advances to suppliers and others		980	33	847	421
Pre Deposit IGST Demand Under appeal		9	9	-	9
Pre Deposit CGST Demand Under appeal		151	151	-	151
Pre Deposit SGST Demand Under appeal		151	151	-	151
Current Vat, Gst and other taxes / duties		293	43	342	292
VAT AY 2015-16		2	2	-	2
MAT Credit Entitlement		493	493	-	-
Miscellaneous advances		1,313	977	348	911
Total		3,394	1,859	1,638	1,944

RATHI INDUSTRIES LTD.

RATHI INDUSTRIES LIMITED

NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS

Note No: 10

Equity share capital		(Amounts in Rs. Lakhs)
Authorised share capital	**Number of shares**	**Amount (Rs.)**
As at April 1, 2023	70,00,000	700.00
Increase/(decrease) during the year	-	-
At March 31, 2024	**70,00,000**	**700.00**
As at April 1, 2024	70,00,000	700.00
Increase/(decrease) during the year	55,00,000	550.00
At March 31, 2025	**1,25,00,000**	**1,250.00**
Issued equity share capital	**Number of shares**	**Amount (Rs.)**
Equity shares of INR 10 each issued, subscribed and fully paid.		
As at April 1, 2023	64,60,000	646.00
Issue of shares during the year	-	-
At March 31, 2024	**64,60,000**	**646.00**
As at April 1, 2024	64,60,000	646.00
Conversion of warrants into equity shares during the year	35,62,900	356.29
At March 31, 2025	**1,00,22,900**	**1,002.29**

(Amounts in Rs. Lakhs)

(c) Reconciliation of number and amount of equity shares out standing at the beginning and at the end of the reporting

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
Outstanding at the begining of the reporting year	64,60,000	646	64,60,000	646
Add:				
(i) Issued on exercise of employees stock options	-	-	-	-
(ii) Issued for consideration other than cash	-	-	-	-
(iii) Issued for cash	35,62,900	356	-	-
less :Shares bought back	-	-	-	-
Outstanding at the end of the reporting year	1,00,22,900	1,002	64,60,000	646

(d) Details of rights, preferences and restrictions attached to equity shares:

The Company has one class of equity shares having a nominal value of Rs. 10/- per share. Each Equity Share holder is entitled to one

(e) Shareholders holding more than 5% of the equity shares of the company:

Name of shareholders	As at 31st March, 2025		As at 31st March, 2024	
	No.of Shares held	% of holding	No.of Shares held	% of holding
MAHAVIRA ENTERPRISES	890400	8.88	-	-
SHANKAR SUVAN ASSOCIATES	865000	8.63	-	-
KESHRI NANDAN AND COMPANY	840500	8.39	-	-
PREM RATAN RATHI *	634900	6.33	634900	7.89
RAGHAV OVERSEAS PVT LTD	560600	5.59	561500	8.69
COMERO TRADING & INVESTMENT PVT. LTD.	435000	4.34	435000	6.73
GHAZIABAD MARBLES & MACH. MFG. PVT. LTD.	430000	4.29	430000	6.66
GLACE TRADING & INVESTMENT PVT. LTD.	411000	4.10	411000	6.36
JAGDAMBA MARBLES LTD.	405000	4.04	425000	6.58

RATHI INDUSTRIES LTD.

Details of shares held by promoters**
As at March 31, 2025

Promoter Name	No. of Shares at the beginning of the year	Change during the year	No. of Shares at the end of the year	% of total Shares	% Change during the year***
PREM RATAN RATHI	6,34,900	-	6,34,900	6.33%	-
VIKAS RATHI	3,18,200	-	3,18,200	3.18%	-
VINAY RATHI	2,24,300	-	2,24,300	2.24%	-
VINAY RATHI HUF	2,03,800	-	2,03,800	2.03%	-
RAGHAV RATHI	1,57,400	1,61,000	3,18,400	3.18%	0.74%
VIKAS RATHI HUF	1,08,900	-	1,08,900	1.09%	-
SUJATA RATHI	1,02,500	-	1,02,500	1.02%	-
RIDDHI RATHI #	91,600	-	91,600	0.91%	-
VAIBHAV RATHI	82,500	1,61,000	2,43,500	2.43%	1.15%
KANIKA	41,700	-	41,700	0.42%	-
Total	**19,65,800**	**3,22,000**	**22,87,800**	**22.83%**	**1.89%**

Details of shares held by promoters**
As at March 31, 2024

Promoter Name	No. of Shares at the beginning of the year	Change during the year	No. of Shares at the end of the year	% of total Shares	% Change during the year***
PREM RATAN RATHI	6,34,900	-	6,34,900	9.83%	-
VIKAS RATHI	3,18,200	-	3,18,200	4.93%	-
VINAY RATHI	2,24,300	-	2,24,300	3.47%	-
VINAY RATHI HUF	2,03,800	-	2,03,800	3.15%	-
RAGHAV RATHI	1,57,400	-	1,57,400	2.44%	-
VIKAS RATHI HUF	1,08,900	-	1,08,900	1.69%	-
SUJATA RATHI	1,02,500	-	1,02,500	1.59%	-
RIDDHI RATHI	91,600	-	91,600	1.42%	-
VAIBHAV RATHI	82,500	-	82,500	1.28%	-
KANIKA	41,700	-	41,700	0.65%	-
Total	**19,65,800**		**19,65,800**	**30.45%**	-

* Equity shares held by Late Mr. Prem Ratan Rathi were transmitted to his legal heirs in accordance with applicable laws and procedures after 31 March 2025. Since this transmission occurred after the reporting date, it is a non-adjusting event as defined under Ind AS 10, and has accordingly not been recognized in the financial statements for the year ended 31 March 2025. However, appropriate effect will be given in the records of the subsequent period.

** Promoter here means promoter as defined in the Companies Act, 2013.

*** Percentage change shall be computed with respect to the percentage of shareholding at the end and beginning of the year.

Equity shares held by Late Mrs. Riddhi Rathi were transmitted to her legal heirs in accordance with applicable laws and procedures after 31 March 2025. Since this transmission occurred after the reporting date, it is a non-adjusting event as defined under Ind AS 10, and has accordingly not been recognized in the financial statements for the year ended 31 March 2025. However, appropriate effect will be given in the records of the subsequent period.

RATHI INDUSTRIES LTD.

RATHI INDUSTRIES LIMITED

Note No: 11
Other Equity

(Amount in Rs. Lakhs)

Particulars		As at 31st March, 2025			As at 31st March, 2024
(a) Capital reserve					
In respect of Revaluation of Land					
Balance as per last account		15,851	15,851		7,315
Add: Addition on revaluation of fixed assets		-	-		8,537
Less: Utilised/ Set off against depreciation		104	104		-
		15,747	15,747		15,851
State Premium		6,489	3,519	2,970	342
In respect of Mat Entitlement		492	492		416
Total (a)		22,728	20,188	2,970	16,609
(b) Surplus in statement of profit and loss					
Balance as per last financial statement		6,433	6,631	(198)	6,143
Add: Addition due to shareholding change from 35.68% to 59.8%		(493)	-	(493)	
Investment Revaluation Reserve		91		91	35
Add: Net profit for the year as per Statement of profit and loss		911	457	331	373
		-			
Amount available for appropriation		6,936	7,188	-132	6,454
Less: Appropriation:		-			
Proposed dividend		-			-
Gratuity and Leave Encashment Set Back		4	4		
Transfer to Income Tax Act, Year 2024-25		3	3		
Provided Deffered Tax Liability for the year 2023-24		199	-	199	
Tax on proposed dividend		-			-
Transfer to general reserve		-			-
Total (b)		6,961	7,113	31	6,454
Total Other Equity (a + b)		29,689	27,171	3,001	23,063

Note No: 12
Borrowings

(Amount in Rs.)

Particulars			As at 31st March, 2025		As at 31st March, 2024	
a) Long-term borrowings						
Secured Term Loan						
i) Vehicle Loans			30	23	7	74
Unsecured Loan						
From other than banks			2,853	-	2,635	-
Total			2,883	23	2,642	74

Note No: 13
Provisions

(Amount in Rs. Lakhs)

Particulars		As at 31st March, 2025			As at 31st March, 2024
Provision for Employee benefits					
Gratuity		18	18	-	19
Leave encashment		4	4	-	5
Total		22	22	-	24

Note No: 14
Deffered tax liabilities (Net)

(Amount in Rs. Lakhs)

Particulars		As at 31st March, 2025			As at 31st March, 2024
Deffered tax liabilities					
Related to Provision for Employee Benefits		-	-	-	-
Related to Depreciation Difference		443	499	34	392
Total		443	499	34	392

RATHI INDUSTRIES LTD.

Note No: 15
Other non- current liabilities

(Amount in Rs. Lakhs)

Particulars		As at 31st March, 2025			As at 31st March, 2024
Payable to supplier of capital goods		397	-	397	73
Security deposits		3	2	-	-
Loans and Advances					
From Related Parties		625	625	-	121
From Other than Related Parties		190	190	-	213
Total		1,214	817	397	407

Note No: 16
Borrowings

(Amount in Rs. Lakhs)

Particulars		As at 31st March, 2025			As at 31st March, 2024
a) Short term borrowings (Secured)					
Vehicle Loan		54	43	11	52
b) Loans Repayable on demand from banks					
(Cash credit limit)					
i) From Jammu & Kashmir Bank Ltd - Delhi		1	1	-	1,774
ii) From North India Bank -GZB		-	-	-	875
iii) From State Bank of India -GZB		2,835	-	2,835	880
Unsecured Loan					
From other than banks		-	-	-	705
Total		2,890	44	2,846	4,376

b) Nature of Securities

Loans repayable on demand from Bank of Baroda and Jammu & Kashmir Bank Ltd. are secured by way of hypothecation of entire stock and other current assets including book debts, both present and future, of the company.

Note No: 17
Trade Payables

(Amount in Rs. Lakhs)

Particulars		As at 31st March, 2025			As at 31st March, 2024
Micro and Small Enterprises		625	-	625	-
Others		2,878	810	2,068	1,676
Total		3,503	810	2,693	1,676

Trade Payables Aging Schedule
*Trade Creditors

F.Y. 2024-25

	Outstanding from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Due to MSME	625	-	-	-	625
Due to Others	2,878	-	-	-	2,878
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
	3,503	-	-	-	3,503

F.Y. 2023-24

	Outstanding from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Due to MSME	-	-	-	-	-
Due to Others	1,676	-	-	-	1,676
Disputed Dues - MSME	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-
	1,676	-	-	-	1,676

A Due to micro, small and medium enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED) 2006

The Company identifies micro and small enterprises based upon the information available and confirmation sent to all the Suppliers who have registered themselves under the Micro, Small Medium enterprises Development Act, 2006 (MSMED Act 2006). Further, no interest during the year has been paid or payable under the terms of the MSMED Act, 2006.

RATHI INDUSTRIES LIMITED

Note No: 18
Other Current liabilities

(Amount in Rs. Lakhs)

Particulars		As at 31st March, 2025			As at 31st March, 2024
Advance from customers and others		1,128	253	876	867
Statutory liabilities payable		72	54	18	38
Unpaid salaries and other dues		32	9	23	22
Miscellaneous expenses payable		68	8	52	1,055
Total		1,301	324	967	2,018

RATHI INDUSTRIES LTD.

Note No: 18

Provisions

(Amount in Rs. Lakhs)

Particulars		As at 31st March, 2025			As at 31st March, 2024
Income Tax		148	70	78	77
Total		148	70	78	77

RATHI INDUSTRIES LIMITED

Note No: 20
Revenue from operations

(Amounts in Rs. Lakhs)

Particulars	31st March.	RIL	RISPL	31st March. 2024
Sale of goods (Net of Sales Return)				
Manufactured Goods	45579		45379	10013
Iron & Steel	5931		5.931	0
Sale of goods (Manufecturing on Contract)	37427	37.427		58.853
Other Operating Income				
Fees for Technical Services/Royalty/Consultancy and Management Services				
Corperate Guarantee/Rental Income/Commission	440	440	0	240
	0			
Sale of goods (Net)	**89,177**	37.867	51.310	69.786

Note No: 21
Other Income

(Amounts in Rs. Lakhs)

Particulars	31st March.			31st March. 2024
Interest Income (Gross)				
Fixed deposits with banks	9	9	-	1
Others	4	4	-	6
	-	-	-	
Other non-operating income	-	-	-	
Profit on sale of Land	-	-	-	59
Profit on sale of Plant & Machinery/ Conversion	-	-	-	-
Discount Recd.	28	28	-	-
Profit on sale of Vehicle	17	0	17	1
Income tax refund ass. Year 2017-18	0	-	-	1
Interest recd. On Income Tax Refund	1	-	1	2
Miscellaneous income	6	-	6	55
Total	**65**	**41**	**24**	125

Note No: 22
Cost of raw material consumed

(Amounts in Rs. Lakhs)

Particulars	31st March.			31st March. 2024
Opening stock	640	0	640	220
Add: purchases	42.905	0	42.905	9.791
	43.545	0	43.545	10.011
Less: Closing Stock	2.431	0	2.431	249
Cost of raw material consumed	**41.114**	**0**	**41.114**	9.762

Note No: 23
Purchases of Goods

(Amounts in Rs. Lakhs)

Particulars	31st March.			31st March. 2024
Goods Purchase under Contract Manufecturing	36.267	36.267	-	55.257
Traded Goods Purchased	5.902		5.902	1.955
Total	**42.169**	**36.267**	**5.902**	**57.212**

RATHI INDUSTRIES LTD.

Note No: 24

Changes in inventories of finished goods and stock in trade

(Amounts in Rs. Lakhs)

Particulars	31st March.			31st March. 2024
Finished goods				
Opening stock	1,043	134	909	711
Less: Closing stock	461	17	444	487
	582	117	465	224
Stock-in-trade				
Opening stock	22	0	22	5
Opening stock Scrap	115	115	-	182
Opening stock Refurbish Machinery	45	45	-	696
	182	160	22	883
Add: Transfer from Store/Inventory	268	268		58
Total	450	428	22	940
Less: Closing stock	34	0	34	8
Less: Closing Stock Scrap / Building Rubble	53	53		115
Less: Closing Stock of Refurbish Machinery	0			44
Less: Closing stock Dismantle Machinery Parts	0			0
	87	**53**	**34**	167
	363	375	-12	773
Increase of Value of Capital assets on conversion into stock in trade		-		396
Total	**945**	**492**	**453**	602

Note No: 25

Employee benefits expenses

(Amounts in Rs. Lakhs)

Particulars	31st March.			31st March. 2024
Salaries and wages	309	95	214	151
Contribution to provident and other funds	25	4	21	11
Staff welfare expenses	-	-	-	-
Directors & KMP Remuneration	105	-	105	
Total	**439**	**99**	**340**	162

Note No: 26

Finance costs

(Amounts in Rs. Lakhs)

Particulars	31st March.			31st March. 2024
Interest expenses				
On long term borrowings	5	0	5	20
On short term borrowings	492	223	269	515
On others	10	10		40
Other borrowing costs	14	11	3	4
Total	**521**	**244**	**277**	579

RATHI INDUSTRIES LTD.

Note No: 27

Other expenses

(Amounts in Rs. Lakhs)

Particulars	31st March.			31st March. 2024
Consumption of stores and spare parts	155	0	155	36
Power and fuel	1,815		1,815	428
Rent	13	9	4	19
Repairs to:				
Machinery	26	0	26	2
Others	3	2	1	3
Vehicle Running & Maintenance	9	9		3
Insurance	7	2	5	4
Rates and taxes	9	9		3
Payments to auditors:				
For statutory audit	4	3	1	3
For tax audit	0	0	0	0
Payment to cost auditors	1	1	0	0
Payment to Internal auditors	0	0	0	
Payment to Secretrial auditors	1	0	1	0
Miscellaneous expenses	346	239	107	292
Commission paid	132	72	60	57
Selling expenses	71	7	64	101
Total	**2,592**	**353**	**2,239**	953

RATHI INDUSTRIES LIMITED

Note No: 28

Defferred Tax

(Amounts in Rs. Lakhs)

Particulars	31st March.			31st March. 2024
Deffered Tax for the year	144	110	34	69
Total	**144**	**110**	**34**	69