



# NARENDRA SHARMA & CO.

CHARTERED ACCOUNTANTS

308, JAIPUR TOWER, M.I. ROAD, OPP. ALL INDIA RADIO,  
JAIPUR, RAJASTHAN 302001  
M.NO. - 9829055175, 9468708577, 141-4023476,  
E-MAIL - ca\_ygautam@yahoo.com  
GSTIN - 08AAAFN1908J1ZD

## INDEPENDENT AUDITOR'S REPORT

To the Members of **Dynasty Modular Furnitures Pvt Ltd.**

### Report on the Audit of Financial Statements

#### Opinion

We have audited the accompanying Financial Statements of **DYNASTY MODULAR FURNITURES PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the Financial Statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements ("the 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 Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and Other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ('ICAI') 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 ICAI's 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 Financial Statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements for the financial year ended March 31, 2025. These matters were addressed in the context of our audit of the Financial Statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Financial Statements.

Key Audit Matter	How the matter was addressed in our audit
<b>A. Revenue Recognition</b> <ul style="list-style-type: none"><li>The Company's revenue is principally derived from sale of Modular Furniture and others products. Revenue from sale of goods is recognized when control of the products being sold is transferred to the customer and when there are no unfulfilled obligations.</li><li>The performance obligations in the contracts are fulfilled at the time of dispatch, delivery or upon formal customer</li></ul>	<b>Our audit procedure:</b> <ul style="list-style-type: none"><li>We assessed the appropriateness of the revenue recognition accounting policies by comparing them with applicable Indian Accounting Standards (Ind AS).</li><li>Evaluated the process followed by the management for revenue recognition including understanding and testing of key controls related to recognition of revenue in correct period.</li><li>Performed substantive testing on samples selected using</li></ul>





# NARENDRA SHARMA & CO.

CHARTERED ACCOUNTANTS

308, JAIPUR TOWER, M.I. ROAD, OPP. ALL INDIA RADIO,  
 JAIPUR, RAJASTHAN 302001  
 M.NO. - 9829055175, 9468708577, 141-4023476,  
 E-MAIL - ca\_ygautam@yahoo.com  
 GSTIN - 08AAAFN1908J1ZD

<p>acceptance depending on terms of order / contract with the customer.</p> <ul style="list-style-type: none"> <li>Revenue is measured at fair value of the consideration received or receivable after deduction of any trade/volume discounts and taxes or duties collected.</li> </ul> <p>Hence, we identified revenue recognition as a key audit matter since revenue is significant to the financial statements and is required to be recognized as per the requirements of applicable accounting framework.</p>	<p>statistical sampling of revenue transactions, recorded during the year by testing the underlying documents to determine whether revenue has been recognized correctly.</p> <ul style="list-style-type: none"> <li>Tested, on a sample basis, specific revenue transactions recorded before and after the financial year end date including examination of credit notes issued after the year end to determine whether the revenue has been recognized in the appropriate financial period, and timely. Based on the above stated procedures, no significant exceptions were noted in revenue recognition.</li> </ul>
<p><b>B. Inventory Existence and Valuation</b></p> <ul style="list-style-type: none"> <li>There are complexities and manual process involved in determining inventory quantities on hand and valuation of the same due to the diverse &amp; numerous inventory products and work in progress at different stages of the processes.</li> </ul> <p>Therefore inventory quantities and valuation is identified as a key audit matter.</p>	<p><u>Our audit procedure:</u></p> <ul style="list-style-type: none"> <li>We have attended inventory counts, which we selected based on financial significance and risk, observed management's inventory count procedures to assess the effectiveness, selected a sample of inventory products and compared the quantities counted to the quantities recorded and ensured inventory adjustments, if any, are recorded in the books of accounts.</li> <li>Assessed whether the management's internal controls relating to inventory's valuation are appropriately designed and implemented.</li> <li>Discussed with the management on the management's process of identifying the stages of completion and valuing work in progress stock at the time of book closure process.</li> <li>Verified the correctness of valuation made by the management on a sample basis, with regard to the cost and net realizable value of inventory.</li> </ul>

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

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the 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 Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of 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 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 Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company 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 from time to time.





# NARENDRA SHARMA & CO.

## CHARTERED ACCOUNTANTS

308, JAIPUR TOWER, M.I. ROAD, OPP. ALL INDIA RADIO,  
JAIPUR, RAJASTHAN 302001  
M.NO. - 9829055175, 9468708577, 141-4023476 ,  
E-MAIL - ca\_ygautam@yahoo.com  
GSTIN - 08AAAFN1908J1ZD

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

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

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

### Auditor's Responsibility for the audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements, 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 Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.





# NARENDRA SHARMA & CO.

## CHARTERED ACCOUNTANTS

308, JAIPUR TOWER, M.I. ROAD, OPP. ALL INDIA RADIO,  
JAIPUR, RAJASTHAN 302001  
M.NO. - 9829055175, 9468708577, 141-4023476 ,  
E-MAIL - ca\_ygautam@yahoo.com  
GSTIN - 08AAAFN1908J1ZD

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements for the financial 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.

### 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 Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued there under;
  - (e) On the basis of the written representations received from the Directors of the Company as on 31<sup>st</sup> March, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> 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 of the Company with reference to these Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
  - (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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements;
    - ii. The Company did not have any long-term contracts including derivative contracts, hence, the question of any material foreseeable losses does not arise;
    - iii. There were no amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - iv. (a). The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (b). The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner





# NARENDRA SHARMA & CO.

CHARTERED ACCOUNTANTS

308, JAIPUR TOWER, M.I. ROAD, OPP. ALL INDIA RADIO,  
JAIPUR, RAJASTHAN 302001  
M.NO. - 9829055175, 9468708577, 141-4023476 ,  
E-MAIL - ca\_ygautam@yahoo.com  
GSTIN - 08AAAFN1908J1ZD

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 such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

- v. 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 and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, and the audit trail has been preserved by the Company as per the statutory requirements for record retention in the accounting software where audit trail is enabled.

For NARENDRA SHARMA & CO.  
Chartered Accountants  
(Firm Regn No. 004983C)

(YOGESH GAUTAM)

Partner

Membership No. 072676

UDIN : 25072676BMJNGX7349



Place : Jaipur

Date : 22<sup>nd</sup> May 2025



# NARENDRA SHARMA & CO.

## CHARTERED ACCOUNTANTS

308, JAIPUR TOWER, M.I. ROAD, OPP. ALL INDIA RADIO,  
JAIPUR, RAJASTHAN 302001  
M.NO. - 9829055175, 9468708577, 141-4023476 ,  
E-MAIL - ca\_ygautam@yahoo.com  
GSTIN - 08AAAFN1908J1ZD

### ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date to the members of **DYNASTY MODULAR FURNITURES PRIVATE LIMITED** on the Financial Statements for the year ended on 31<sup>st</sup> March 2025.

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

- (i) In respect of its Property, plant and equipment :
- The Company has maintained proper records showing full particulars including quantitative details and situation of Property, plant and equipment.
  - Property, plant and equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable having regard to the size of the Company and nature of its assets. According to information and explanation given to us, no material discrepancies were noticed on such physical verification.
  - According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deeds and lease agreements provided to us, we report that, the title deeds, comprising all the immovable properties of land (freehold and/or leasehold), are held in the name of the Company as at the Balance Sheet date.
  - The Company has not revalued its Property, Plant and Equipment during the year. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable.
  - There are no proceedings initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)
- The management has conducted physical verification of inventory in phased manner at reasonable intervals to cover all the items during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.
  - The Company has a working capital limit in excess of Rs 5 crore, sanctioned by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit.
- (iii) As per information and explanation given to us, the Company has granted unsecured loans to companies covered in the register maintained under section 189 of the Companies Act, 2013.
- In respect of loan granted to the body corporate, the terms and conditions of the loans are prima facie not prejudicial to the interest of the company.
  - The terms of arrangement do not stipulate any repayment schedule. The borrower has been regular in the payment of interest as stipulated.
  - As there is no specified repayment schedule of the loan granted to the body corporate, the clause (iii) (c) of the order is not applicable to the company.





# NARENDRA SHARMA & CO.

CHARTERED ACCOUNTANTS

308, JAIPUR TOWER, M.I. ROAD, OPP. ALL INDIA RADIO,  
JAIPUR, RAJASTHAN 302001  
M.NO. - 9829055175, 9468708577, 141-4023476,  
E-MAIL - ca\_ygautam@yahoo.com  
GSTIN - 08AAAFN1908J1ZD

- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) We have broadly reviewed the accounts and records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013 read with Companies (Cost Records & Audit) Rules, 2014 and we are of the opinion that prima facie, the required accounts and records have been made and maintained. We have not, however, made detailed examination of the records with a view to determine whether they are accurate and complete.
- (vii) In our opinion and according to information and explanations given to us and based on the audit procedures performed by us in respect of statutory dues:
- The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues arrears as at 31<sup>st</sup> March, 2025 for a period of more than six months from the date they became payable.
- (viii) According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) a. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks and financial institutions.
- 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 willful defaulter by any bank or financial institution or other lender.
- c. In our opinion and according to the information and explanations given to us, the term loans were applied for the purposes for which the loans were obtained.
- d. According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- e. According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable.
- 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 subsidiaries, joint ventures or associate companies. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable.
- (x) a. The company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.





# NARENDRA SHARMA & CO.

CHARTERED ACCOUNTANTS

308, JAIPUR TOWER, M.I. ROAD, OPP. ALL INDIA RADIO,  
JAIPUR, RAJASTHAN 302001  
M.NO. - 9829055175, 9468708577, 141-4023476,  
E-MAIL - ca\_ygautam@yahoo.com  
GSTIN - 08AAAFN1908J1ZD

- b. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) a. According to the information and explanations given to us and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, no case of material fraud by the Company or on the Company has been noticed or reported during the year.
- b. According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- c. According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given by the management and based on our examination, the transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable. The Company has disclosed the details of the related party transactions in the Notes to the Financial Statements, as required by the applicable Indian Accounting Standards.
- (xiv) a. The Company has an adequate internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- b. We have considered, the internal audit reports issued by the Internal Auditors of the Company during the year under audit and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with them and accordingly, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the Statutory Auditors during the year.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, 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.





# NARENDRA SHARMA & CO.

CHARTERED ACCOUNTANTS

308, JAIPUR TOWER, M.I. ROAD, OPP. ALL INDIA RADIO,  
JAIPUR, RAJASTHAN 302001  
M.NO. - 9829055175, 9468708577, 141-4023476 .  
E-MAIL - ca\_ygautam@yahoo.com  
GSTIN - 08AAAFN1908J1ZD

- (xx) According to the information and explanations given to us, Company is not covered under the criteria as specified under Section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 therefore there is no requirement for the Company to spend any amount under sub-section (5) of section 135 of the Act. 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 of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For NARENDRA SHARMA & CO.

Chartered Accountants

(Firm Regn No. 004983C)

(YOGESH GAUTAM)

Partner

Membership No. 072676

UDIN : 25072676BMJNGX7349



Place : Jaipur

Date : 22<sup>nd</sup> May 2025



# NARENDRA SHARMA & CC

## CHARTERED ACCOUNTANTS

308, JAIPUR TOWER, M.I. ROAD, OPP. ALL INDIA RADIO,  
JAIPUR, RAJASTHAN 302001  
M.NO. - 9829055175, 9468708577, 141-4023476 ,  
E-MAIL - ca\_ygautam@yahoo.com  
GSTIN - 08AAAFN1908J1ZD

### ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" of our report of even date

**Report on the Internal Financial Controls with reference to Financial Statements 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 Financial Statements of **DYNASTY MODULAR FURNITURES PRIVATE LIMITED** ("the Company") as of March 31, 2025 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the criteria for internal financial control with reference to Financial Statements 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"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

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

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Financial Statements. 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 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 Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to 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 mis-statement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to these Financial Statements.

#### **Meaning of Internal Financial Controls with reference to Financial Statements**

A Company's internal financial control with reference to 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 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 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 financial statements.





# NARENDRA SHARMA & CC

CHARTERED ACCOUNTANTS

308, JAIPUR TOWER, M.I. ROAD, OPP. ALL INDIA RADIO,  
JAIPUR, RAJASTHAN 302001  
M.NO. - 9829055175, 9468708577, 141-4023476 ,  
E-MAIL - ca\_ygautam@yahoo.com  
GSTIN - 08AAAFN1908J1ZD

---

## **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to 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 Financial Statements to future periods are subject to the risk that the internal financial control with reference to 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to these Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For NARENDRA SHARMA & CO.  
Chartered Accountants  
(Firm Regn No. 004983C)

(YOGESH GAUTAM)  
Partner

Membership No. 072676  
UDIN : 25072676BMJNGX7349



Place : Jaipur  
Date : 22<sup>nd</sup> May 2025

**DYNASTY MODULAR FURNITURES PVT. LTD.**

**BALANCE SHEET**  
As at 31st March, 2025

(All amounts in INR Lakhs, unless otherwise stated)

Particulars		Note	As at 31 March, 2025	As at 31 March, 2024
<b>A.</b>	<b>ASSETS</b>			
<b>1.</b>	<b>Non-current Assets</b>			
	(a) Property, Plant and Equipment	4	734.82	843.66
	(b) Capital work-in-progress		0.00	0.00
	(c) Other Intangible assets		0.00	0.00
	(d) Financial Assets			
	(i) Investments	5	0.03	0.03
	(ii) Loans	6	208.10	202.16
	(iii) Others	7	4.18	4.07
	(e) other non-current assets		0.00	0.00
	<b>Total-Non-current assets</b>		<b>947.14</b>	<b>1049.92</b>
<b>2.</b>	<b>Current assets</b>			
	(a) Inventories	8	845.26	841.63
	(b) Financial Assets			
	(i) Trade receivables	9	300.53	279.88
	(ii) Cash and cash equivalents	10	145.47	127.99
	(iii) Bank balances other than (ii) above		0.00	0.00
	(iv) Loans		0.00	0.00
	(v) Others	11	21.86	22.91
	(c) Other current assets	12	217.04	22.56
	<b>Total Current assets</b>		<b>1530.16</b>	<b>1294.97</b>
	<b>Total Assets</b>		<b>2477.30</b>	<b>2344.89</b>
<b>B.</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1.</b>	<b>Equity</b>			
	(a) Equity Share capital	13	75.61	75.61
	(b) Other Equity	14	765.08	621.12
	<b>Total Equity</b>		<b>840.69</b>	<b>696.73</b>
<b>2.</b>	<b>LIABILITIES</b>			
	<b>Non-current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	15	592.80	495.28
	(ii) Other financial liabilities	16	0.00	0.00
	(b) Provisions	17	52.51	44.17
	(c) Deferred tax liabilities (net)	18	0.68	2.36
	(d) Other non-current liabilities		0.00	0.00
	<b>Total Non current liabilities</b>		<b>645.99</b>	<b>541.81</b>
<b>3.</b>	<b>Current Liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	19	375.93	447.33
	(ii) Trade Payables	20		
	- Dues to Micro and Small Enterprises		9.74	13.76
	- Dues to Creditors other than Micro and Small		246.76	275.21
	(iii) Other financial liabilities	21	17.90	17.27
	(b) Other current liabilities	22	265.45	260.21
	(c) Provisions	23	67.99	61.22
	(d) Current tax liabilities (Net)	24	6.84	31.35
	<b>Total Current liabilities</b>		<b>990.62</b>	<b>1106.35</b>
	<b>Total Equity and Liabilities</b>		<b>2477.30</b>	<b>2344.89</b>

The accompanying summary of significant accounting policies and other explanatory information are an integral part of the standalone financial statements.  
This is the Standalone Balance Sheet referred to in our report of even date

For NARENDRA SHARMA & CO.  
Chartered Accountants  
Firm Regn. No. 004983C



(CA YOGESH GAUTAM)  
Partner  
M. No. 072676

For and on behalf of the Board of Directors  
DYNASTY MODULAR FURNITURES PVT. LTD.

(DIGVIJAY DHABRIYA)  
Director  
Din No. 00519946

(HITESH AGRAWAL)  
Director  
Din No. 00519922



Place : Jaipur  
Date : 22nd May, 2025

**DYNASTY MODULAR FURNITURES PVT. LTD.**

**STATEMENT OF PROFIT AND LOSS**  
For the year ended on 31st March, 2025

(All amounts in INR Lakhs, unless otherwise stated)

Sl. No.	Particulars	Note	For the year ended 31 March, 2025	For the year ended 31 March, 2024
I	<b>Revenue</b>			
	Revenue from Operations	25	4059.01	3402.97
II	Other income	26	37.14	13.44
III	<b>Total Income (I + II)</b>		<b>4096.16</b>	<b>3416.41</b>
IV	<b>Expenses</b>			
	(a) Cost of materials consumed	27	2170.92	1934.89
	(b) Purchase of Stock in Trade	28	8.95	64.54
	(c) Changes in inventories of finished goods and stock-in-trade	29	74.74	(81.25)
	(d) Employee benefits expense	30	805.16	648.98
	(e) Finance costs	31	86.48	75.59
	(f) Depreciation and amortisation expense	32	130.23	119.27
	(g) Other expenses	33	621.81	465.51
	<b>Total Expenses (IV)</b>		<b>3898.27</b>	<b>3227.53</b>
V	<b>Profit before Taxes (III - IV)</b>		<b>197.89</b>	<b>188.88</b>
VI	<b>Tax expenses / (credit)</b>	24		
	(a) Current tax expense for current year		50.05	54.65
	(b) Deferred tax		(2.38)	(3.89)
	(c) Previous year tax		8.25	10.54
	Total Tax		55.92	61.30
VII	<b>Profit for the period (V - VI)</b>		<b>141.97</b>	<b>127.58</b>
VIII	<b>Other Comprehensive Income (OCI)</b>			
	Item that will not be reclassified to profit or loss			
	- Remeasurements of the defined benefit liabilities		2.69	(1.86)
	- Income tax relating to items that will not be reclassified to profit or loss		(0.70)	0.48
	<b>Other Comprehensive Income for the period After Tax</b>		1.99	(1.38)
IX	<b>Total Comprehensive Income for the period After Tax (VII + VIII)</b>		<b>143.96</b>	<b>126.20</b>
X	<b>Earnings per share (of Rs.10/- each):</b>	34		
	Basic & Diluted		18.78	16.87

The accompanying summary of significant accounting policies and other explanatory information are an integral part of the standalone financial statements. This is the Standalone Statement of Profit and Loss referred to in our report of even date.

For NARENDRA SHARMA & CO.  
Chartered Accountants  
Firm Regn. No. 004983C



(CA YOGESH GAUTAM)  
Partner  
M. No. 072676

For and on behalf of the Board of Directors  
DYNASTY MODULAR FURNITURES PVT. LTD.

(DIGVIJAY DHABRIYA)  
Director  
Din No. 00519946

(HITESH AGRAWAL)  
Director  
Din No. 00519922



Place : Jaipur  
Date : 22nd May, 2025

**DYNASTY MODULAR FURNITURES PVT. LTD.**

**STATEMENT OF CHANGES IN EQUITY**  
For the year ended on 31st March, 2025

(All amounts in INR Lakhs, unless otherwise stated)

**A. Equity share capital**

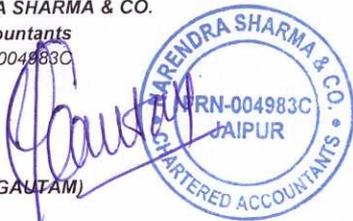
Particulars	Amount
Balance as at April 1, 2023	75.61
Changes in equity share capital during the year	0.00
<b>Balance as at 31st March, 2024</b>	<b>75.61</b>
Changes in equity share capital during the year	0.00
<b>Balance as at 31st March, 2025</b>	<b>75.61</b>

**B. Other Equity**

Particulars	Other Equity		Amount
	Reserve and Surplus		
	General Reserve	Retained Earning Account	
Balance as at April 1, 2023	494.92	0.00	494.92
1. Profit for the year	0.00	127.58	127.58
2. Other comprehensive income for the year, net of income tax	0.00	(1.38)	(1.38)
<b>Total Comprehensive Income for the year</b>	<b>0.00</b>	<b>126.20</b>	<b>126.20</b>
3. Transfer to / (from) Retained earnings	126.20	(126.20)	0.00
<b>Balance as at 31st March, 2024</b>	<b>621.12</b>	<b>0.00</b>	<b>621.12</b>
1. Profit for the year	0.00	141.97	141.97
2. Other comprehensive income for the year, net of income tax	0.00	1.99	1.99
<b>Total Comprehensive Income for the year</b>	<b>0.00</b>	<b>143.96</b>	<b>143.96</b>
3. Transfer to / (from) Retained Earnings	143.96	(143.96)	0.00
<b>Balance as at 31st March, 2025</b>	<b>765.08</b>	<b>0.00</b>	<b>765.08</b>

The accompanying summary of significant accounting policies and other explanatory information are an integral part of the standalone financial statements. This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For NARENDRA SHARMA & CO.  
Chartered Accountants  
Firm Regn. No. 004983C



(CA YOGESH GAUTAM)  
Partner  
M. No. 072676

For and on behalf of the Board of Directors  
DYNASTY MODULAR FURNITURES PVT. LTD.

*(Handwritten Signature)*

(DIGVIJAY DHABRIYA)  
Director  
Din No. 00519946



*(Handwritten Signature)*  
(HITESH AGRAWAL)  
Director  
Din No.00519922

Place : Jaipur  
Date : 22nd May, 2025

**DYNASTY MODULAR FURNITURES PVT. LTD.**

**CASH FLOW STATEMENT**  
For the year ended on 31st March, 2025

(All amounts in INR Lakhs, unless otherwise stated)

Particulars	For the year ended 31 March, 2025		For the year ended 31 March, 2024	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before tax as per Profit & Loss Statement		197.89		188.88
<b>Adjusted for :</b>				
Depreciation and amortization expenses	130.23		119.27	
Finance Costs	86.48		75.59	
Interest Income	(27.63)		(9.41)	
		189.08		185.46
<b>Operating profit before working capital changes</b>		386.96		374.34
<b>Adjustment for :</b>				
(Increase) / Decrease in Trade Receivables	(20.65)		(49.33)	
(Increase) / Decrease in Inventories	(3.64)		(53.92)	
(Increase) / Decrease in Other Assets	(199.47)		(185.87)	
(Decrease) / Increase in Trade Payables	(32.46)		98.44	
(Decrease) / Increase in Provisions	15.11		14.90	
(Decrease) / Increase in Other Liabilities	(22.79)		134.46	
		(263.90)		(41.33)
<b>Cash generated from / (used in) operations</b>		123.06		333.00
Direct Taxes paid		(51.45)		(33.84)
<b>Net cash generated from/(used in) operating activities - (A)</b>		71.61		299.16
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Payment for Property, plant and equipment and Capital work in progress and Investment properties	(21.40)		(208.97)	
Interest income	27.63		9.41	
<b>Net cash generated from/(used in) Investing Activities - (B)</b>		6.24		(199.56)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from Non-Current borrowings	499.81		270.00	
Repayment of Non-Current borrowings	(402.29)		(278.06)	
Proceeds from Issue of share Capital	0.00		0.00	
Net Increase/(decrease) in Current borrowings	(71.40)		5.54	
Interest paid	(86.48)		(75.59)	
<b>Net cash generated from/(used in) financing activities - (C)</b>		(60.37)		(78.11)
<b>Net Increase/(decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>		17.48		21.49
<b>Cash and cash equivalents at the beginning of the year</b>		127.99		106.51
<b>Cash and cash equivalents at the end of the year</b>		<b>145.47</b>		<b>127.99</b>
<b>1. Cash and cash equivalents at the end of year comprises :</b>				
Cash on hand		1.10		0.88
Balances with banks				
(i) In current accounts		0.00		0.09
(ii) In fixed deposit accounts		144.37		127.02
<b>Total</b>		<b>145.47</b>		<b>127.99</b>

The above standalone Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS 7, 'Statement of Cash Flow'.

The accompanying summary of significant accounting policies and other explanatory information are an integral part of the standalone financial statements. This is the Standalone Cash Flow Statement referred to in our report of even date.

For NARENDRA SHARMA & CO.  
Chartered Accountants  
Firm Regn. No. 004983C



(CA YOGESH GAUTAM)  
Partner  
M. No. 072676

For and on behalf of the Board of Directors  
DYNASTY MODULAR FURNITURES PVT. LTD.

(DIGVIJAY DHABRIYA)  
Director  
Din No. 00519946

(HITESH AGRAWAL)  
Director  
Din No. 00519922



Place : Jaipur  
Date : 22nd May, 2025

1. **CORPORATE INFORMATION**

Dynasty Modular Furnitures Private Limited ('The Company') [CIN : U27108RJ1995PTC009339] is a Private Limited Company domiciled and incorporated in India in 1995. The Company is a wholly owned subsidiary of Dhabriya Polywood Limited, whose equity shares are listed at the Bombay Stock Exchange (BSE). The registered office of the Company is situated at F-13, Malviya Industrial Area, Jaipur – 302017 (Rajasthan) and having its state-of-art Modular Furniture Manufacturing unit at Jaipur - Rajasthan. The Company is one of the leading manufacturer & suppliers of Modular Office Furniture Systems, Modular Kitchen, Wardrobes, Vanities & Doors etc. All the product range of Company are developed & produced on Save Trees concept without using natural wood.

2. **MATERIAL ACCOUNTING POLICIES**

A. **BASIS OF PREPERATION AND PRESENTATION**

(i) **Compliance with Ind AS**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India (SEBI). The accounting policies are applied consistently to all the periods presented in the financial statements.

(ii) **Historical cost convention**

The financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at fair value at the end of each reporting period.

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

The All assets and liabilities have been classified as current or non-current based on the Company's normal operating cycle for each of its businesses, as per the criteria set out in the Schedule III to the Act.

(iv) **Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

B. **USE OF ESTIMATES AND JUDGEMENTS**

The estimates and judgements used in the preparation of the 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 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.

C. **PROPERTY, PLANT AND EQUIPMENT (INCLUDIG CAPITAL WORK-IN-PROGRESS)**

On transition to Ind AS the Company had adopted the optional exemption under Ind AS 101 to use the carrying value of the Property, plant and equipment as the deemed cost. Subsequently Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognized as at 1st April, 2016 measured as per the previous GAAP. Cost of acquisition or construction is inclusive of freight, duties, relevant taxes, incidental expenses and interest on loans attributable to the acquisition of qualifying assets, up to the date of commissioning of the assets. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for qualifying assets, upto the date of commissioning of the assets. All repair and maintenance costs are recognized in profit or loss as incurred. Assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Capital work-in-progress – Assets which are not yet ready for their intended use are carried at cost comprising direct cost, related incidental expenses and attributable interest.

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

Depreciation on Property, plant and equipment is provided to the extent of depreciable amount on the Written Down Value Method on the basis of useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 to allocate their cost, net of their residual values, over their estimated useful lives. Depreciation on additions and deletion during the year has been provided on pro rata basis with reference to the date of addition and deletion. The residual values and useful lives are reviewed and adjusted if appropriate at the end of each reporting period.

Gains and losses on disposals, if any, are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss within other income or other expenses, as applicable.



**D. IMPAIRMENT OF ASSETS**

The carrying amount of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss will be recognized in the Statement of Profit and Loss wherever the carrying amount of an asset exceeds its estimated recoverable amount. When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss. Provision for impairment will be reviewed periodically and amended depending on changes in circumstances.

**E. CASH AND CASH EQUIVALENTS**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

For the purpose of presentation in the cash flow statement, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, 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. Bank overdrafts, if any, are shown within borrowings in current liabilities in the balance sheet.

**F. TRADE RECEIVABLES**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment, if any.

**G. INVENTORIES**

Raw materials, Packing Materials, stores, spares & consumables, work in progress and finished goods are stated at the lower of cost and net realizable value. Cost of raw materials, packing materials comprises cost of purchases, non-refundable purchase taxes and any directly attributable expenses related to inventories. Cost of raw materials, packing materials, stores, spares & consumables is determined on a first in first out method. Cost of work-in-progress and finished goods comprises materials and appropriate proportion of all variable and fixed overhead expenditures, which is allocated on a systematic basis.

Costs of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts, if any. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

**H. TRADE AND OTHER PAYABLES**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within twelve months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

**I. BORROWING**

Borrowings are initially recognized at fair value, 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. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.



**J. BORROWING COST**

Borrowing Costs directly attributable to the acquisition, construction and production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in Profit and Loss in the period in which they are incurred.

**K. PROVISIONS AND CONTINGENT LIABILITIES**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, for which it is probable that a cash outflow may be required and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Contingent liabilities are disclosed after evaluation of the facts and legal aspects of the matter involved, in line with the provisions of Ind AS 37. The Company records a liability for any claims where a potential loss probable and capable of being estimated and discloses such matters in its financial statements, if material. For potential losses that are considered possible, but not probable, the Company provides disclosures in the financial statements but does not record a liability in its financial statements unless the loss becomes probable.

**L. REVENUE RECOGNITION**

**Sale of Goods :-** Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, net of returns and allowances, trade discounts and volume rebates. Sales of products is net of Goods and Service Tax.

Revenue is recognized when the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs can be estimated reliably, there is no continuing management involvement with the goods nor it exercises effective control over the goods and the amount of revenue can be measured reliably. The timing of the transfer of risks and rewards varies depending on the individual terms of the sales arrangements.

**Income from Services:** Revenue from sale of services are recognized when services are rendered and related costs are incurred. Income from services is also net of Goods and Service Tax.

**Other Income:** Interest income from a financial asset is recognized when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective rate applicable, which is the rate that discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

**M. EMPLOYEE BENEFITS**

**Short Term Employee Benefits**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve 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. The liabilities are presented as current employee benefit obligations in the balance sheet.

**Post-Employment Benefits**

**Defined Contribution Plans**

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund (PF) and Employee State Insurance (ESI) to the eligible employees. The Company's contribution is recognized as employee benefit expenses in Profit and Loss during the period in which the employee renders the related service.



**Defined Benefit Plans**

The Company provides for gratuity, a defined benefit retirement plan to the employees whoever has completed five years of service with the Company at the time of retirement, death while in employment or on termination of employment or otherwise as per the provisions of The Payment of Gratuity Act, 1972. Company accounts for liability of future gratuity benefits bases on an external actuarial valuation on projected unit credit method carried out annually for assessing liability as at the balance sheet date.

**N. FOREIGN CURRENCY TRANSACTIONS**

The functional currency of the Company is Indian rupee. Transactions denominated in foreign currencies are normally recorded on initial recognition at the exchange rate prevailing at the time of transaction. Monetary items (i.e. liabilities and assets etc.) denominated in foreign currency at the year-end are translated at the functional currency closing rate of exchange at the reporting date.

Any income or expenses on account of exchange difference either on settlement of monetary items or on reporting these items at rates different from rates at which these were initially recorded / reported in previous financial statements are recognized as income / expense in the statement of profit and loss except in cases where they relate to acquisition of fixed assets in which case they are adjusted to the carrying cost of such assets.

**O. INCOME TAXES**

Current Income Tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss i.e. in other comprehensive income or equity.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the reporting date. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss i.e. in other comprehensive income.

**P. FINANCIAL INSTRUMENTS**

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in statement of profit and loss.

**FINANCIAL ASSETS**

**Initial recognition and measurement:**

On initial recognition, a financial asset is recognized at fair value. All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI) depending on the classification of the financial assets. Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

**Derecognition**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the contractual rights to receive the cash flows from the asset.



#### **Impairment of financial assets**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the lifetime expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

#### **FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS**

##### **Classification as equity**

Equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

##### **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

##### **Financial liabilities**

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortized cost unless at initial recognition, they are classified as fair value through profit or loss. In case of trade payables, they are initially recognized at fair value and subsequently, these liabilities are held at amortized cost, using the effective interest method.

All financial liabilities are subsequently measured at amortized cost using the effective interest method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognized in the Statement of Profit and Loss. Interest expense are included in the 'Finance costs' line item. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

##### **Derecognition of financial liabilities**

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or Modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

##### **Offsetting**

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

#### **Q. EARNING PER SHARE**

Basic earnings per share is calculated by dividing the net profit for the current year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average share considered for calculating basic earnings per share, and also the weighted average number of shares, which would have been issued on the conversion of all dilutive potential equity shares. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate.

#### **R. OPERATING CYCLE**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.



**S. RECENT ACCOUNTING PRONOUNCEMENTS :**

**(a) Application of new and revised Indian Accounting Standards (Ind AS)**

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the standalone financial statements are authorised, have been considered in preparing these standalone financial statements.

**(b) Recent accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any impact in its financial statements.

**3. CRITICAL ESTIMATES AND JUDGEMENTS**

The preparation of the financial statements in conformity with recognition and measurement principles of Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key judgements and estimations concerning the future and other sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in future are :

**(i) Useful lives and residual value of property, plant and equipment and intangible assets :**

Useful life and residual value are determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc and same is reviewed at each financial year end.

**(ii) Taxation :**

Tax expense is calculated using applicable tax rate and laws that have been enacted or substantially enacted. In arriving at taxable profit and all tax bases of assets and liabilities, the Company determines the taxability based on tax enactments, relevant judicial pronouncements and tax expert opinions, and makes appropriate provisions which includes an estimation of the likely outcome of any open tax assessments / litigations, if any. Any difference is recognized on closure of assessment or in the period in which they are agreed.

Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, unabsorbed depreciation and unused tax credits could be utilized.



**Notes to the Financial Statements**  
for the year ended 31 March, 2025

(All amounts in INR Lakhs, unless otherwise stated)

**4. Property, Plant & Equipment and Capital Work-in-progress**

As at 31 March, 2025 and 31 March, 2024

Particulars	Gross Carrying Amount			Accumulated Depreciation			Net Carrying Amount		
	Balance as at 01 April, 2024	Additions / Adjustments	Disposals / discard of assets	As at 31 March, 2025	Balance as at 01 April, 2024	Depreciation for the year	Eliminated on Disposals / discard of assets	As at 31 March, 2025	As at 31 March, 2024
Leasehold Land	97.17	0.00	0.00	97.17	0.00	0.00	0.00	97.17	97.17
Building	225.55	5.05	161.05	69.55	36.85	2.92	0.00	29.78	188.70
Plant & Equipment	617.35	112.94	0.00	730.28	286.22	56.82	0.00	387.24	331.12
Misc. Fixed Assets	42.02	2.94	1.06	43.90	20.30	3.23	1.06	21.43	21.72
Computers	72.22	5.05	4.71	72.55	46.52	16.65	4.71	14.10	25.70
Furniture & Fixtures	143.60	1.64	0.00	145.24	40.28	26.82	0.00	78.14	103.33
Office Equipments	0.27	0.28	0.27	0.28	0.10	0.21	0.27	0.25	0.18
Vehicles	106.39	54.56	0.00	160.95	30.65	23.59	0.00	106.71	75.74
<b>TOTAL</b>	<b>1304.58</b>	<b>182.45</b>	<b>167.10</b>	<b>1319.93</b>	<b>460.92</b>	<b>130.23</b>	<b>6.05</b>	<b>585.10</b>	<b>734.82</b>

(i) Property, plant and equipment have been pledged as security against certain borrowings of the Company as at 31 March, 2025. Refer note 15 & 19.

**Capital Work-in-progress**

Particulars	Balance as at 01 April, 2023	Addition during the year	Capitalization during the year	As at 31 March, 2024	Addition during the year	Capitalization during the year	As at 31 March, 2025
<b>Capital Work-in-progress</b>	124.89	6.22	131.12	0.00	0.00	0.00	0.00

(ii) Ageing schedule of capital work-in-progress is as follows:

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March, 2024	0.00	0.00	0.00	0.00	0.00
As at 31 March, 2025	0.00	0.00	0.00	0.00	0.00



**Notes to the Financial Statements  
for the year ended 31 March, 2025**

(All amounts in INR Lakhs, unless otherwise stated)

**5. Investments - Non-Current**

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	No. of Units	Amount	No. of Units	Amount
A. Investment in Equity Instruments	0.00	0.00	0.00	0.00
B. Other Equity Instruments (Unquoted, fully paid-up shares)	0.00	0.00	0.00	0.00
C. Investment in Government Securities (Unquoted, valued at amortised cost) - National Saving Certificates	-	0.03	-	0.03
<b>Total</b>		<b>0.03</b>		<b>0.03</b>

**6. Loans - Non-Current** (*Unsecured, Considered Good*)

Particulars	As at 31 March, 2025	As at 31 March, 2024
Loans to Body Corporates / Others	208.10	202.16
<b>Total</b>	<b>208.10</b>	<b>202.16</b>

**7. Other Financial Assets - Non-Current**

Particulars	As at 31 March, 2025	As at 31 March, 2024
Security Deposits	4.18	4.07
<b>Total</b>	<b>4.18</b>	<b>4.07</b>

**8. Inventories**

Particulars	As at 31 March, 2025	As at 31 March, 2024
At Lower of cost or net realization value :		
Raw Materials	595.23	621.15
Packing Materials	7.68	7.61
Work-in-Progress	153.21	48.98
Finished Goods - Manufactured	57.78	132.54
Finished Goods - Traded	8.84	8.84
Consumables Items, Stores and Spare Parts	22.52	22.50
<b>Total</b>	<b>845.26</b>	<b>841.63</b>

**9. Trade Receivables**

Particulars	As at 31 March, 2025	As at 31 March, 2024
<i>Unsecured, considered good :</i>		
Trade Receivables	300.53	260.44
Receivables from Related Parties	0.00	19.44
Trade Receivables which have significant increase in credit risk	0.00	0.00
<b>Total</b>	<b>300.53</b>	<b>279.88</b>

\* Trade Receivables are expected to realise at least the amount at which they are stated, if realized in the ordinary course of business.

**Trade Receivables Ageing Schedule**

As at 31 March, 2025	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More Than 3 Year	
(i) Undisputed Trade receivables – considered good	177.40	12.85	56.13	22.52	31.63	300.53
(ii) Undisputed Trade receivables – which have significant increase in Credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Undisputed Trade receivables – Credit impaired*	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed trade receivables- Considered good	0.00	0.00	0.00	0.00	0.00	0.00
(v) Disputed trade receivables- which have significant increase in Credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Disputed Trade receivables – Credit impaired	0.00	0.00	0.00	0.00	0.00	0.00



**Notes to the Financial Statements  
for the year ended 31 March, 2025**

(All amounts in INR Lakhs, unless otherwise stated)

**Trade Receivables Ageing Schedule**

As at 31 March, 2024	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1 -2 years	2 -3 years	More Than 3 Year	
(i) Undisputed Trade receivables – considered good	156.06	41.49	33.05	15.01	34.26	279.88
(ii) Undisputed Trade receivables – which have significant increase in Credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Undisputed Trade receivables – Credit impaired*	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed trade receivables- Considered good	0.00	0.00	0.00	0.00	0.00	0.00
(v) Disputed trade receivables- which have significant increase in Credit risk	0.00	0.00	0.00	0.00	0.00	0.00
(vi) Disputed Trade receivables – Credit impaired	0.00	0.00	0.00	0.00	0.00	0.00

\*Above referred Trade Receivables have been pledged as security against certain borrowings of the Company. Refer note 15 & 19.

**10. Cash and Cash Equivalents**

Particulars	As at 31 March, 2025	As at 31 March, 2024
Cash and Cash Equivalents :		
(a) Cash on hand	1.10	0.88
(b) Balances with banks		
(i) In current accounts	0.00	0.09
(ii) In fixed deposit accounts	144.37	127.02
<b>Total</b>	<b>145.47</b>	<b>127.99</b>

**11. Other Current Financial Assets**

Particulars	As at 31 March, 2025	As at 31 March, 2024
Other Advances recoverable in cash	16.39	16.81
Security & Other Deposits	5.47	6.10
<b>Total</b>	<b>21.86</b>	<b>22.91</b>

**12. Other Current Assets**

Particulars	As at 31 March, 2025	As at 31 March, 2024
Advances to Suppliers	202.19	4.57
Prepaid & Deferred Revenue Expenses	12.99	9.13
Other Advances recoverable for value to be received	1.74	4.73
Balance With Government Authorities	0.12	4.14
<b>Total</b>	<b>217.04</b>	<b>22.56</b>

**13. Equity Share Capital**

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Number of shares	Amount in Rs.	Number of shares	Amount in Rs.
(a) Authorised				
Equity shares of Rs.10/- each	800000	80.00	800000	80.00
(b) Issued				
Equity shares of Rs. 10/- each	756100	75.61	756100	75.61
(c) Subscribed and fully paid up				
Equity shares of Rs. 10/- each	756100	75.61	756100	75.61
(d) Reconciliation of shares outstanding at the beginning & at the end of the reporting period				
At the beginning of the period	756100	75.61	756100	75.61
Outstanding at the end of the period	<b>756100</b>	<b>75.61</b>	<b>756100</b>	<b>75.61</b>

(e) Details of shareholders holding more than 5% equity shares in the Company :	As at 31 March, 2025		As at 31 March, 2024	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
M/s Dhabriya Polywood Limited	756100	100.00%	756100	100.00%



**Notes to the Financial Statements  
for the year ended 31 March, 2025**

(All amounts in INR Lakhs, unless otherwise stated)

(f) Shares held by holding/ ultimate holding company/ or their subsidiaries/ associates	756100	100.00%	756100	100.00%
-----------------------------------------------------------------------------------------	--------	---------	--------	---------

(g) Details of equity shares held by Promoters in the company as at the end of year :						
	As at 31 March, 2025			As at 31 March, 2024		
	Number of shares	% of total shares	% change during the year	Number of shares	% of total shares	% change during the year
M/s Dhabriya Polywood Limited	756100	100.00%	-	756100	100.00%	-

(h) Terms/rights attached to equity shares	The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/-. Each holder of equity share is entitled to one vote per share and dividend as and when declared by Company.  In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after payment of all liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.
--------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

**14. Other Equity**

Particulars	As at 31 March, 2025	As at 31 March, 2024
<b>(A) General Reserves</b>		
Balance at the Beginning of the Year	621.12	494.92
Add: Transfer from Retained Earnings	143.96	126.20
<b>Closing balance</b>	<b>765.08</b>	<b>621.12</b>
<b>(B) Retained Earning Account</b>		
Balance at the Beginning of the Year	0.00	0.00
Add: Profit for the year	141.97	127.58
Add: Other Comprehensive Income for the year, net of income tax	1.99	(1.38)
	143.96	126.20
Less : Transfer to General Reserve	(143.96)	(126.20)
<b>Closing balance</b>	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	<b>765.08</b>	<b>621.12</b>

**Description of nature and purpose of each reserve**

**(a) General reserve**

The general reserve is created on transfer of profits from retained earnings. General reserve is created by transfer from one component of equity to another and is not an item of other comprehensive income.

**(b) Retained earnings**

Retained earnings represents surplus in Statement of Profit and Loss.

**15. Borrowings - Non-Current**

Particulars	As at 31 March, 2025	As at 31 March, 2024
<b>SECURED - At Amortised Cost</b>		
Term Loan from Banks / Financial Institutions*	784.76	516.91
Less : Current maturities of term loans	(256.40)	(173.42)
	528.36	343.49
<b>Vehicle Loans**</b>		
Vehicle Loans**	106.25	79.47
Less : Current maturities of Vehicle loans	(42.81)	(23.68)
	63.44	55.79
<b>UNSECURED - At Amortised Cost</b>		
From Corporates	1.00	1.00
From Directors	0.00	95.00
From Banks & Others	0.00	0.00
	1.00	96.00
<b>Total</b>	<b>592.80</b>	<b>495.28</b>

\* There is no default in repayment of principal or payment of interest thereon.

\*\* Term Loan from HDFC Bank Ltd. is secured against equitable mortgage on the immovable properties of the Company and Term Loan from SIDBI is secured by the guarantees / security extended by directors of the Company. Total repayment period of the term loans are :

(i) HDFC Bank Machine Term Loan of Rs. 65 Lakhs taken during the year 2020-21 is repayable in 60 monthly instalments commencing from August 2020 and last instalment due in July 2025.

(ii) SIDBI Term Loan of Rs. 200.00 Lakhs taken during the year 2023-24 is repayable in 30 monthly instalments commencing from August 2024 and last instalment due in January 2027.



**Notes to the Financial Statements  
for the year ended 31 March, 2025**

(All amounts in INR Lakhs, unless otherwise stated)

- (iii) SIDBI Term Loan of Rs. 100.00 Lakhs taken during the year 2018-19 is repayable in 90 monthly instalments commencing from April 2019 and last instalment due in March 2027.
- (iv) GECL-TLs of Rs. 56.54 Lakhs and 32.50 Lakhs taken from HDFC Bank and SIDBI respectively during the year 2021-22 are repayable in 36 monthly instalments after availing 24 month moratorium as per the ECLGS of Central Government.
- (v) SIDBI Term Loan of Rs. 115.00 Lakhs taken during the year 2019-20 is repayable in 90 monthly instalments commencing from March 2020 and last instalment due in March 2028.
- (vi) HDFC Bank Term Loan (Loan Against Property) of Rs. 100.00 Lakhs taken during the year 2019-20 is repayable in 126 monthly instalments commencing from February 2020 and last instalment due in July 2030.
- (vii) SIDBI Term Loan of Rs. 140.00 Lakhs taken during the year 2024-25 is repayable in 54 monthly instalments commencing from August 2025 and last instalment due in January 2030.
- (viii) SIDBI Term Loan of Rs. 925.00 Lakhs sanctioned during the year 2024-25 and disbursed Rs. 300.00 Lakh during the year 2024-25 is repayable in 102 monthly instalments commencing from October 2025 and last instalment due in March 2034.
- \*\*\* Car Loans Taken from banks/financial institutions are secured by way of individual hypothecation of the Vehicle purchased from the amount of loan.

**16. Other Financial Liabilities - Non-Current**

Particulars	As at 31 March, 2025	As at 31 March, 2024
Trade/ security deposits received	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**17. Provisions - Non-Current**

Particulars	As at 31 March, 2025	As at 31 March, 2024
Provision for Employee Benefits : Gratuity Provision	52.51	44.17
<b>Total</b>	<b>52.51</b>	<b>44.17</b>

**18. Deferred Tax Liabilities (net)**

Particulars	As at 31 March, 2025	As at 31 March, 2024
Tax effect of items constituting deferred tax liability :		
Property, Plant & Equipments	17.24	16.19
	17.24	16.19
Tax effect of items constituting deferred tax assets :		
Provision for gratuity	16.56	13.83
	16.56	13.83
<b>Net Deferred Tax Liability</b>	<b>0.68</b>	<b>2.36</b>

**19. Borrowings - Current**

Particulars	As at 31 March, 2025	As at 31 March, 2024
<b>SECURED - At Amortised Cost</b>		
<b>Working Capital Loans From Banks*</b>		
Cash Credit Facility	76.72	250.24
Buyer's Credit/SBLC Facility	0.00	0.00
<b>Current Maturities of Loans From Banks**</b>		
of Term Loans	256.40	173.42
of Vehicle Loans	42.81	23.68
<b>Total</b>	<b>375.93</b>	<b>447.33</b>

\* Cash Credit Limits from HDFC Bank Ltd. are secured against equitable mortgage / hypothecation on all the immovable and movable properties of the Company, inventory and book debts, both present and future.

**20. Trade Payables**

Particulars	As at 31 March, 2025	As at 31 March, 2024
<b>Trade payables</b>		
Total Outstanding dues of Micro and Small enterprises	9.74	13.76
Others	246.76	275.21
<b>Total</b>	<b>256.51</b>	<b>288.96</b>



**Notes to the Financial Statements  
for the year ended 31 March, 2025**

(All amounts in INR Lakhs, unless otherwise stated)

**(i) Trade Payable Ageing Schedule**

As at 31 March, 2025	Outstanding for following periods from due date of payment				
	Less than 1 year	1 -2 years	2 -3 years	More Than 3 Year	Total
Total outstanding dues of micro enterprises and small enterprises	9.74	0.00	0.00	0.00	9.74
Total outstanding dues of creditors other than micro enterprises and small enterprises	246.76	0.00	0.00	0.00	246.76
Disputed dues of micro enterprises and small enterprises	0.00	0.00	0.00	0.00	0.00
Disputed dues of creditors other than micro enterprises and small enterprises	0.00	0.00	0.00	0.00	0.00

As at 31 March, 2024	Outstanding for following periods from due date of payment				
	Less than 1 year	1 -2 years	2 -3 years	More Than 3 Year	Total
Total outstanding dues of micro enterprises and small enterprises	13.76	0.00	0.00	0.00	13.76
Total outstanding dues of creditors other than micro enterprises and small enterprises	274.96	0.22	0.03	0.00	275.21
Disputed dues of micro enterprises and small enterprises	0.00	0.00	0.00	0.00	0.00
Disputed dues of creditors other than micro enterprises and small enterprises	0.00	0.00	0.00	0.00	0.00

**21. Other Financial Liabilities - Current**

Particulars	As at 31 March, 2025	As at 31 March, 2024
Other Payables	17.90	17.27
<b>Total</b>	<b>17.90</b>	<b>17.27</b>

**22. Other Current Liabilities**

Particulars	As at 31 March, 2025	As at 31 March, 2024
Credit Balances of Receivables	247.53	249.01
Statutory Remittances	17.92	11.20
<b>Total</b>	<b>265.45</b>	<b>260.21</b>

**23. Provisions - Current**

Particulars	As at 31 March, 2025	As at 31 March, 2024
Provision for Expenses	60.96	55.68
Provision for Employee Benefits - Gratuity	7.03	5.53
<b>Total</b>	<b>67.99</b>	<b>61.22</b>

**24. Income Taxes**

**a) Income Tax Expenses**

Particulars	As at 31 March, 2025	As at 31 March, 2024
<b>Current Tax :</b>		
- Current Tax	50.05	54.65
- Tax pertaining to earlier years	8.25	10.54
<b>Deferred Tax</b>	(2.38)	(3.89)
<b>Total</b>	<b>55.92</b>	<b>61.30</b>



**Notes to the Financial Statements  
for the year ended 31 March, 2025**

(All amounts in INR Lakhs, unless otherwise stated)

A reconciliation of income tax expenses applicable to accounting profit before tax at the statutory income tax rate to income tax expenses recognized for the year is indicated below :

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Profit before tax	197.89	188.88
Enacted tax rate in India including surcharge / cess, if any	27.820%	26.000%
Expected income tax expenses at statutory tax rate	55.05	49.11
<u>Tax Impact on account of</u>		
Depreciation under income tax act	(1.98)	2.78
Expenses allowed only on payment basis	3.48	2.76
Expenses not deductible in determining taxable profits	0.00	0.00
Others	(6.51)	(3.43)
Tax expenses pertaining to current year	50.05	54.65
Effective Income Tax Rate	25.292%	28.934%

**b) Current Tax Liability (Net)**

Particulars	As at 31 March, 2025	As at 31 March, 2024
Provision for Income Tax	50.05	54.65
Less : Advance Tax and TDS	43.21	23.30
Net Provision for Income Tax	6.84	31.35
<b>Total</b>	<b>6.84</b>	<b>31.35</b>

**25. Revenue From Operations**

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
<u>Sale of Products (A)</u>		
Sale of Products	4044.50	3381.64
	<b>4044.50</b>	<b>3381.64</b>
<u>Sale of Services (B)</u>		
Installation and Fixing Income	14.51	21.34
<b>Total(A+B)</b>	<b>4059.01</b>	<b>3402.97</b>

**Disaggregate revenue information**

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
<b>Revenue by product type :</b>		
Modular Funitures	4044.50	3381.64
Revenue from sale of services	14.51	21.34
<b>Total</b>	<b>4059.01</b>	<b>3402.97</b>
<b>Revenue by Geography :</b>		
Domestic	3588.75	3109.03
Exports	470.26	293.94
<b>Total</b>	<b>4059.01</b>	<b>3402.97</b>
<b>Revenue by time :</b>		
Revenue recognised at point in time	4059.01	3402.97
<b>Total</b>	<b>4059.01</b>	<b>3402.97</b>

**26. Other Income**

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Interest Income	27.63	9.41
Foreign Exchange Gains (Net)	7.56	4.03
Interest on Income Tax Refund	1.95	0.00
<b>Total</b>	<b>37.14</b>	<b>13.44</b>



**Notes to the Financial Statements  
for the year ended 31 March, 2025**

(All amounts in INR Lakhs, unless otherwise stated)

**27. Cost of Material Consumed**

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Inventory of Materials and Stock-in-Process at the beginning of the year	677.75	705.07
Add: Purchases of Materials during the year	2249.29	1907.56
	2927.04	2612.63
Less: Inventory of the Materials and Stock-in-Process at the end of the year	756.12	677.75
<b>Total</b>	<b>2170.92</b>	<b>1934.89</b>

**28. Purchase of Stock in Trade**

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Purchase of Trading Goods	8.95	64.54
<b>Total</b>	<b>8.95</b>	<b>64.54</b>

**29. Changes in Inventories of Finished Goods & Stock in Trade**

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
<b>Inventories at the end of the year:</b>		
Finished Goods - Manufactured	57.78	132.54
Finished Goods - Trading	8.84	8.84
Stores & spare Parts	22.52	22.50
<b>TOTAL</b>	<b>89.14</b>	<b>163.88</b>
<b>Inventories at the beginning of the year:</b>		
Finished Goods - Manufactured	132.54	39.30
Finished Goods - Trading	8.84	23.78
Stores & spare Parts	22.50	19.55
<b>TOTAL</b>	<b>163.88</b>	<b>82.63</b>
<b>Net (increase) / decrease</b>	<b>74.74</b>	<b>(81.25)</b>

**30. Employees Benefit Expense**

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Salary, Wages and Bonus etc to Employees	675.94	541.31
Contributions to Provident Fund	15.91	11.13
Remuneration to Directors	96.00	84.00
Gratuity	13.33	10.53
Staff Welfare Expenses	3.98	2.00
<b>Total</b>	<b>805.16</b>	<b>648.98</b>

**31. Finance Cost**

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Interest expense	69.74	65.93
Bank Charges & other financial charges	16.75	9.66
<b>Total</b>	<b>86.48</b>	<b>75.59</b>

**32. Depreciation and Amortization Expense**

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Depreciation on Property, Plant and Equipment	130.23	119.27
<b>Total</b>	<b>130.23</b>	<b>119.27</b>



**Notes to the Financial Statements**  
for the year ended 31 March, 2025

(All amounts in INR Lakhs, unless otherwise stated)

**33. Other Expenses**

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
<b>Manufacturing Expenses</b>		
Power & Fuel	55.96	43.51
Repair & Maintenance of Plant & Machinery	67.58	76.85
Electric Repair and Maintenance	3.82	10.48
Carriage inward	18.87	18.31
Factory Expenses	27.15	14.69
Water Charges	2.16	2.20
Installation & site work charges	120.56	160.66
Expenses for Export	30.22	16.23
	<b>326.32</b>	<b>342.92</b>
<b>Office &amp; Administrative Expenses</b>		
Payment to Auditors :		
<i>As Auditor</i>		
Statutory Audit Fee	0.35	0.48
Insurance expenses	3.01	2.17
Internet & Website Expenses	0.33	0.30
Legal & Professional expenses	0.77	0.67
Office & Branch Expenses	0.05	0.00
Postage & Telegram Expenses	1.74	1.96
Printing & Stationary	3.38	3.03
Registration and filling fee	1.14	1.26
Rent Rate and Tax	27.93	13.76
Computer Repair & Maintenance	1.50	1.94
Software Expenses	2.59	2.46
Building Repair & Maintenance	6.54	3.65
Subscription & Membership Fee	0.20	0.00
Telephone & Postage expenses	0.89	0.90
Conveyance & Site Expenses	15.14	8.70
Vehicle Running & Maintenance	2.99	3.17
	<b>68.53</b>	<b>44.43</b>
<b>Selling &amp; Distribution Expenses</b>		
Advertisement & Sales Promotion Expenses	116.89	27.86
Travelling Expenses	45.98	8.13
Carriage Outward	54.44	37.71
Commission on Sales	5.50	0.08
Tender Expenses	0.43	0.17
Discount Allowed	3.71	4.19
	<b>226.96</b>	<b>78.15</b>
<b>Total</b>	<b>621.81</b>	<b>465.51</b>



**Notes to the Financial Statements**  
for the year ended 31 March, 2025

(All amounts in INR Lakhs, unless otherwise stated)

**34. Earning Per Share**

Particulars	2024-25	2023-24
(a) Net Profit after Tax as per Statement of Profit & Loss	141.97	127.58
(b) Net Profit available to Equity Shareholders	141.97	127.58
(c) Number of equity shares at year end	756100	756100
(d) Weighted Average No. of Equity Shares	756100	756100
(e) Basic / Diluted Earning per Share (b)/(d) - in INR	18.78	16.87
(f) Face value per equity share - in INR	10.00	10.00

**35. Employee Benefits**

**a) Contribution to Provident Fund and Employees State Insurance**

Contribution to Defined Contribution Plans, recognized as an expenses for the year is as under :

Particulars	For the year ended 31 March, 2025	For the year ended 31 March, 2024
Employer's contribution to provident fund (includes pension fund)	15.91	11.13
Employer's contribution to Employees State Insurance	5.05	4.34

**b) Gratuity**

The following table summarizes the components of expense recognized in the Statement of Profit and Loss and the amounts recognized in the Balance Sheet according to Actuarial Report :

Particulars	2024-25	2023-24
<b>1. Amounts Recognized in Statement of Profit and Loss</b>		
a. Current Service Cost	9.73	7.69
b. Interest on Defined Benefit Obligation	3.60	2.84
c. Past Service Cost	0.00	0.00
Total amount included in "Employee Benefit Expense" (Note 30)	13.33	10.53
<b>2. Amounts Recognized in other comprehensive income (OCI)</b>		
a. Net cumulative unrecognized actuarial Losses/ (Gains) opening	0.00	0.00
b. Net Actuarial Losses/ (Gains) Recognized in Year	(2.69)	1.86
Unrecognized actuarial Losses/ (Gains) for the year	(2.69)	1.86
<b>3. Amount Recognized in Balance Sheet</b>		
a. Present Value of Unfunded Obligations	59.53	49.70
Net Liability	59.53	49.70
b. Net Liability is bifurcated as follows:		
Current	7.03	5.53
Non Current	52.51	44.17
Net Liability	59.53	49.70
<b>4. Reconciliation of present value of defined benefit obligations</b>		
a. Present value of obligation as at the beginning of the period	49.70	37.93
b. Current Service Cost	9.73	7.69
c. Interest Cost	3.60	2.84
d. Actuarial Losses/ (Gain)	(2.69)	1.86
e. Past Service Cost - recognized th. Reserve	0.00	0.00
f. Benefits Paid	(0.81)	(0.63)
g. Present value of obligation as at the end of the period	59.53	49.70
<b>5. Actuarial Assumptions of the defined benefit obligations</b>		
a. Discount Rate (p. a.)	7.00%	7.25%
b. Salary Escalation Rate (p. a.)	6.00%	6.00%
<b>6. Maturity profile of defined benefit obligations</b>		
0 to 1 Year	7.03	5.53
1 to 2 Year	0.96	1.36
2 to 3 Year	1.38	0.79
3 to 4 Year	1.34	1.02
4 to 5 Year	1.43	1.00
5 Year onwards	47.39	40.00

**36. Segment Reporting**

In accordance with para 4 of Ind AS 108 - Operating Segments, since the company operates in one segment of activity viz. Modular Furniture therefore no separate segment reported.

**37. Contingent Liabilities**

Particulars	As at 31 March, 2025	As at 31 March, 2024
a) Performance Bank Guarantees given to third parties for contractual obligations	377.64	328.19



### 38. Related Party Disclosures

a) Related Parties and their relationship
I. Holding Company
* Dhabriya Polywood Limited
II. Key Management Personnels
* Mr. Digvijay Dhabriya, Director
* Mr. Hitesh Agarwal, Director
* Mr. Shreyansh Dhabriya, Director
* Mr. Shiv Shanar, Independent Director
* Mr. Anil Soni, Independent Director
III. Enterprises over which Key Managerial Personnels are able to exercise significant influence / control :
* Polywood India Limited
* Polywood Green Building Systems Pvt. Ltd.
* Polywood Profiles Pvt. Ltd.

#### b) Transactions with related parties for the year ended 31 March, 2025

Nature of Transactions	Holding Company		Enterprises over which KMP exercise significant influence / control		Key Management Personnel and their relatives	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Remuneration to Key Management Personnels	0.00	0.00	0.00	0.00	96.00	84.00
Salary to employees	0.00	0.00	0.00	0.00	10.63	6.79
Interest Payment	0.00	0.00	0.15	0.23	0.00	0.00
Interest Received	18.00	2.40	0.00	0.00	0.00	0.00
Sales of Goods	58.61	59.95	0.00	0.00	0.31	0.33
Purchase of Goods	136.66	56.83	0.00	0.00	0.00	0.00
Purchase of Property, plant and equipment	6.39	1.17	0.00	0.00	0.00	0.00
Other Expenses	3.59	57.68	77.57	0.00	0.00	0.00
Balance as at 31st March						
Long Term Borrowing	0.00	0.00	1.00	1.00	0.00	95.00
Provisions - Current	0.00	0.00	0.00	0.00	1.76	3.48
Other Financial Liabilities Current	0.00	0.00	0.00	0.00	0.21	0.38
Other Current Assets	198.80	0.00	0.00	0.00	0.00	0.00
Non Current Financial Assets - Loan	208.10	202.16	0.00	0.00	0.00	0.00
Trade Receivables	0.00	19.44	0.00	0.00	0.00	0.00
Trade Payables	0.00	0.00	0.00	0.00	0.00	0.00

### 39. Financial Instruments

#### a. Capital Risk Management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders of the Company. The Company's objective when managing capital is to safeguard its ability to continue as a going concern so that it can continue to provide returns to shareholders and other stakeholders.

The Company manages its capital structure and makes adjustments in light of changes in the financial condition and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders (buy back its shares) or issue new shares.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The Company has complied with these covenants and there have been no breaches in the financial covenants of any interest-bearing loans and borrowings. No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2025 and March 31, 2024.

The Company monitors its capital using gearing ratio which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents.

Particulars	As at 31 March, 2025	As at 31 March, 2024
Long term borrowings	592.80	495.28
Current maturities of long term debt	0.00	0.00
Short term borrowings	375.93	447.33
Less : Cash and cash equivalents	(145.47)	(127.99)
Less : Bank Balances other than Cash and cash equivalents	0.00	0.00
<b>Net Debt</b>	<b>823.26</b>	<b>814.62</b>
<b>Total Equity</b>	<b>840.69</b>	<b>696.73</b>
<b>Gearing Ratio</b>	<b>0.98</b>	<b>1.17</b>



**Notes to the Financial Statements  
for the year ended 31 March, 2025**

(All amounts in INR Lakhs, unless otherwise stated)

**b. Categories of financial instruments**

Particulars	As at 31 March, 2025		As at 31 March, 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets</b>				
<b>Measured at amortised cost</b>				
Loans	208.10	208.10	202.16	202.16
Other Financial Assets	26.04	26.04	26.98	26.98
Trade Receivables	300.53	300.53	279.88	279.88
Cash and Cash equivalents	145.47	145.47	127.99	127.99
Non current Investment	0.03	0.03	0.03	0.03
<b>Total Financial Assets at amortised cost (A)</b>	<b>680.17</b>	<b>680.17</b>	<b>637.04</b>	<b>637.04</b>
<b>Measured at Fair Value through other comprehensive income (B)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Measured at fair value through profit and loss (C)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Financial Assets (A+B+C)</b>	<b>680.17</b>	<b>680.17</b>	<b>637.04</b>	<b>637.04</b>
<b>Financial Liabilities</b>				
<b>Measured at amortised cost</b>				
Long Term Borrowings	592.80	592.80	495.28	495.28
Short Term Borrowings	375.93	375.93	447.33	447.33
Trade Payables	256.51	256.51	288.96	288.96
Other Financial Liabilities	17.90	17.90	17.27	17.27
<b>Total Financial Liabilities carried at amortised cost</b>	<b>1243.14</b>	<b>1243.14</b>	<b>1248.86</b>	<b>1248.86</b>

**c. Financial Risk Management objects and policies**

In its ordinary operations, the company's activities expose it to the various types of risks, which are associated with the financial instruments and markets in which it operates. The Company has a risk management policy which covers the foreign exchanges risks and other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The following is the summary of the main risks :

**Market Risk**

Market Risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the change in the market prices. The Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rates, commodity prices and interest rates.

**Interest Rate Risk**

Interest rate risk arises from the sensitivity of financial assets and liabilities to changes in market rates of interest. The Company is exposed to interest rate risk arising mainly from long term borrowings with floating interest rates. The Company is exposed to interest rate risk because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates. The Company manages the interest rate risks by entering into different kinds of loan arrangements with varied terms.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments is as follows:

Particulars	As at 31 March, 2025	As at 31 March, 2024
<b>Financial Assets</b>		
<b>Fixed Rate</b>		
Security Deposit	0.00	0.00
Bank Deposit	144.37	127.02
<b>Total</b>	<b>144.37</b>	<b>127.02</b>
<b>Financial Liabilities</b>		
<b>Fixed Rate</b>		
Term Loans	892.01	692.38
<b>Variable Rate Instruments</b>		
Loan repayable on demand	76.72	250.24
<b>Total</b>	<b>968.73</b>	<b>942.62</b>

Interest rate sensitivity : The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	As at 31 March, 2025	As at 31 March, 2024
0.5% Increase in Rate - Loan repayable on demand :		
Impact on P&L	(0.38)	(1.25)
0.5% Decrease in Rate - Loan repayable on demand :		
Impact on P&L	0.38	1.25



**Notes to the Financial Statements  
for the year ended 31 March, 2025**

(All amounts in INR Lakhs, unless otherwise stated)

**Foreign Currency Risk**

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD related to the imports of its raw material and capital assets. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency (INR). Foreign currency exposures that are not hedged by derivative instruments outstanding as on the balance sheet date are as under:

Derivative outstanding as at the reporting date - Nil

Particulars of unhedged foreign currency exposure as at the reporting date :

(Value in INR in Lakhs)

Particulars	Financial Assets		Financial Liabilities	
	As at 31 March, 2025	As at 31 March, 2024	As at 31 March, 2025	As at 31 March, 2024
USD	0.56	0.19	0.00	0.00
EURO	0.00	15.36	0.00	0.00

Foreign Currency sensitivity

(Value in INR in Lakhs)

Particulars	As at 31 March, 2025	As at 31 March, 2024
<b>USD Sensitivity - Impact on Profit Before Tax</b>		
Appreciation in INR by 1%	(0.01)	(0.00)
Depreciation in INR by 1%	0.01	0.00
<b>EURO Sensitivity - Impact on Profit Before Tax</b>		
Appreciation in INR by 1%	0.00	(0.15)
Depreciation in INR by 1%	0.00	0.15

**Credit Risk**

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks.

Company's credit risk arise principally from the trade receivables and advances. Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to the customer credit risk management. Credit quality of a customer is assessed based on financial position, past performance, business/economic conditions, market reputation, expected business etc. Based on that credit limit and credit terms are decided. Outstanding customer receivables are regularly monitored. Trade receivables consist of a large number of customers spread across diverse industries and geographical areas with no significant concentrations of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

**Liquidity Risk**

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Expected contractual maturity for financial liabilities :

Particulars	Less Than 1 year	1 to 5 years	More than 5 years	Total
<b>As at March 31, 2025</b>				
Borrowings	375.93	588.55	4.25	968.73
Trade and Other payables	256.51	0.00	0.00	256.51
Other Financial Liabilities	17.90	0.00	0.00	17.90
<b>Total</b>	<b>650.34</b>	<b>588.55</b>	<b>4.25</b>	<b>1243.14</b>
<b>As at March 31, 2024</b>				
Borrowings	447.33	476.52	18.76	942.62
Trade and Other payables	288.96	0.00	0.00	288.96
Other Financial Liabilities	17.27	0.00	0.00	17.27
<b>Total</b>	<b>753.57</b>	<b>476.52</b>	<b>18.76</b>	<b>1248.86</b>

**40. Details of Dues to Micro Enterprises and Small Enterprises**

Based on and to the extent of information available with the Company under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at reporting date are furnished below:

Particulars	As at 31 March, 2025	As at 31 March, 2024
Principal amount due to suppliers as at the end of the year	9.74	13.76
Interest accrued and due to suppliers on the above amount as at the end of the year	0.00	0.00
The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	0.00	0.00
The 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, 2006	0.00	0.00
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.00	0.00
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	0.00	0.00
<b>Total</b>	<b>9.74</b>	<b>13.76</b>

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected and received by the Management for the respective year. This has been relied upon by the auditors.



#### 41. Specified ratios as per schedule III Requirements

Particulars	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	Change in %
Current ratio (in times)	Current assets	Current liabilities	1.54	1.17	32%
Debt-equity ratio (in times)	Non-current borrowings + Current borrowings - Cash and cash equivalents	Total Equity	0.98	1.17	-16%
Debt service coverage ratio (in times)	Earnings before Interest, Depreciation and Tax	Finance cost for the year + Principal Repayment of long term debt liabilities within one year	1.07	1.41	-24%
Inventory turnover (in times)	Revenue from operations	Average inventories	3.21	2.75	16%
Trade receivable turnover ratio (in times)	Revenue from operations	Average trade receivables	9.22	8.61	7%
Trade payable turnover ratio (in times)	Cost of goods sold **	Average trade payables	9.46	9.43	0%
Net capital turnover ratio (in times)	Revenue from operations	Working capital [Current assets - Current liabilities]	7.52	18.04	-58%
Net profit ratio (in %)	Profit after tax	Revenue from operations	3.50%	3.75%	-7%
Return on capital employed (in %)	Earnings before interest and taxes + provision for impairment in the value of investments	Capital employed = (Average of Equity and total borrowings)	16.49%	16.77%	-2%
Return on equity (in %)	Profit after tax	Average of total equity	18.47%	20.13%	-8%

\*\* Cost of Good sold = Cost of materials consumed + Purchases of stock-in-trade + Changes in inventories of finished goods, stock-in-trade + Manufacturing and operating expenses.

- (i) Current ratio (times): Increased due to increase in the current assets and also reduction in current liabilities.  
(ii) Debt service coverage ratio (times): Reduced due to increase in the interest cost obligation.  
(iii) Net Capital Turnover ratio (times): Reduced due to the increase in net working capital involved at the year end.

#### 42. Other Notes

- (a) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.  
(b) The Company do not have any transactions with companies struck off.  
(c) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.  
(d) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.  
(e) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:  
(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  
(f) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:  
(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,  
(g) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.  
(h) Company does not have any long-term contract including derivative contract for which there are any material foreseeable losses.  
(i) There are no amounts which are required to be transferred to the Investor Education and Protection Fund.  
(j) Previous year figures have been reworked, regrouped, rearranged and reclassified, wherever necessary.  
(k) All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the standalone financial statements are authorised, have been considered in preparing these standalone financial statements.  
(l) All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of schedule III, unless otherwise stated.  
(m) Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00".

#### 43. Approval of Financial Statements

The financial statements were approved for issue by the Board of Directors on 22nd May, 2025.

For NARENDRA SHARMA & CO.  
Chartered Accountants  
Firm Regn. No. 004983C

(CA YOGESH GAUTAM)  
Partner  
M. No. 072676

For and on behalf of the Board of Directors  
DYNASTY MODULAR FURNITURES PVT. LTD.

(DIGVIJAY DHABRIYA)  
Director  
Din No. 00519946

(HITESH AGRAWAL)  
Director  
Din No.00519922

Place : Jaipur  
Date : 22nd May, 2025