



2 June, 2025

The Manager-Listing Department National Stock Exchange of India Limited, 'Exchange Plaza', C-1, Block -G Bandra Kurla Complex, Bandra -East Mumbai-400051	Listing Department BSE Limited Phiroze Jeejeebhoy Towers 25 th Floor, Dalal Street Mumbai- 400001
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Sub : Annual Report for the financial year 2024-25
Ref : Scrip Code No.: PILITA/ 500327

Dear Sir / Madam,

Pursuant to the provisions of Regulation 34(1) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, read with amendments thereto, please find the enclosed copy of Annual Report of the Company for the financial year ended March 31, 2025.

The Annual Report is also available on the website of the Company i.e. www.italica.com.

Kindly take the above on your records.

Thanking you!

Yours faithfully,
For PIL ITALICA LIFESTYLE LIMITED

Narendra Bhanawat
(Whole Time Director)
DIN : 00146824

Encl: As above.



Redefining Comfort through *Innovative Designs*

PIL ITALICA LIFESTYLE LIMITED
ANNUAL REPORT 2024-25

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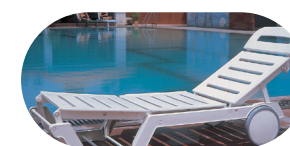
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FORWARD LOOKING STATEMENT

This document includes forward-looking statements pertaining to anticipated future events and the financial and operational outcomes of PIL Italica Lifestyle Limited ('PIL Italica' or 'PILL' or 'Company'). Given their nature, these forward-looking statements necessitate our Company to make assumptions and are inherently susceptible to risks and uncertainties. There exists a prominent risk that the assumptions, predictions, and other forward-looking statements may not prove to be precise. Readers are advised against placing undue reliance on these forward-looking statements, as various factors could lead to disparities between assumptions and actual future results and events. Consequently, this document is subject to a disclaimer and is qualified in its entirety by the assumptions, qualifications, and risk factors outlined in the Management Discussion and Analysis section of our Company's Annual Report.

Redefining Comfort through Innovative Designs



PIL ITALICA LIFESTYLE BELIEVES THAT FURNITURE IS MORE THAN JUST FUNCTIONAL — IT IS A REFLECTION OF COMFORT, STYLE, AND INNOVATION THAT ENHANCES THE SPACES WE LIVE IN. OVER THE YEARS, OUR BRAND, ITALICA, HAS ESTABLISHED ITSELF AS A LEADER IN THE LIFESTYLE FURNITURE INDUSTRY BY CONTINUALLY REDEFINING THE MEANING OF COMFORT THROUGH INNOVATIVE DESIGNS.

Guided by a unique product philosophy built on customer-centricity and functional designs, we have crafted furniture solutions that seamlessly blend durability, aesthetics, and cost-effectiveness. From our iconic plastic furniture collections to our expanding presence in wooden furniture, we aim to be a comprehensive solution for all furniture needs.

Despite the challenges posed by a subdued consumer environment in FY25, PIL Italica Lifestyle has stayed true to its core values. This year, we introduced groundbreaking products such as the 'Phoenix Folding Chair', India's first fully plastic folding chair, alongside new launches in focused categories like 'Wedding Chairs', 'Kids World', and 'Stools'. Our continuous innovation extends to existing series like the Premium Series, Designer Series, and Kids Study Set — each designed to elevate comfort and functionality for our consumers.

As we expand our distribution network across South and East India and strengthen our portfolio with innovative wooden furniture offerings, we remain committed to delivering lasting value built on over 30 years of market expertise.

With every product launch and strategic initiative, PIL Italica Lifestyle continues to embody: Redefining Comfort through Innovative Designs.

FY25 Performance Highlights

₹10,083 REVENUE	↑ 3.7%	₹1,005 EBITDA	↑ 23.7%
₹524 PROFIT AFTER TAXES	↑ 13.5%	↑ YOY CHANGE	₹ IN LAKHS

CORPORATE PROFILE

Crafting Comfort, *Building Excellence*

OVERVIEW

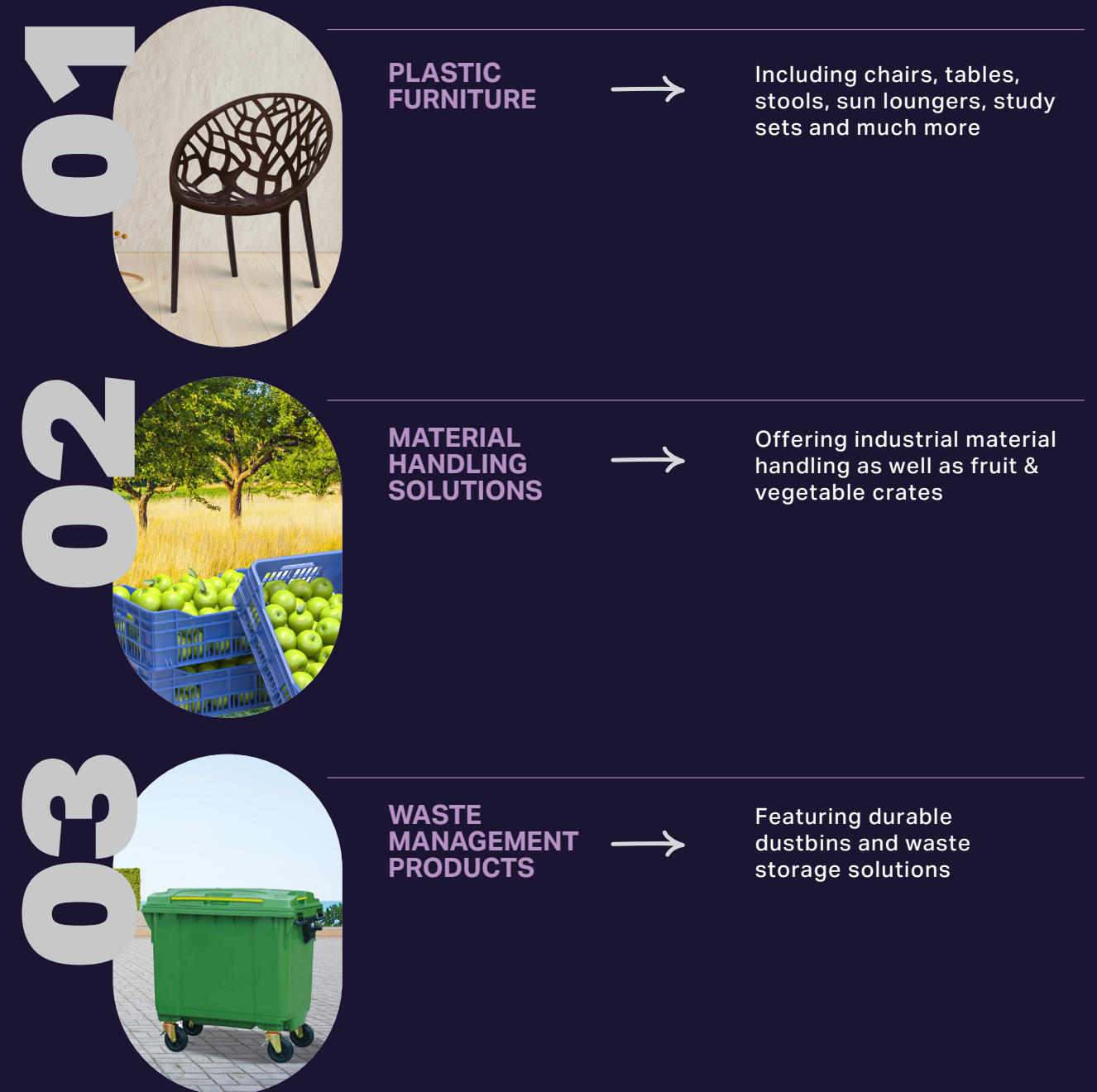
Established in 1992, PIL Italica Lifestyle Limited is a leading lifestyle furniture Company specializing in innovative, functional, and luxury furniture products, particularly molded plastic furniture, along with its recent foray into wooden furniture.

Headquartered in Udaipur, Rajasthan, the Company operates with a flagship manufacturing facility in Udaipur and an additional unit in Silvassa, acquired through a strategic inorganic growth transaction. With corporate offices in Mumbai and operational offices in Delhi, PIL Italica has expanded its footprint across India, supported by a robust distribution network.



Core Business Areas

PIL Italica operates across 3 core product categories:



CORPORATE PROFILE (CONTD.)

COMMITMENT TO QUALITY



PIL Italica is an ISO 9001:2015 certified company and stands as the only Indian brand with CE-certified plastic furniture. This distinction underscores its commitment to delivering quality products that meet international standards of durability and safety.



VISION

To revolutionise modern living by offering superior plastic furniture, efficient material handling solutions and effective waste management products that combine aesthetics, durability & eco-friendliness, enriching homes, enhancing quality of life and promoting a cleaner, greener future.



MISSION

To become the market leader in India in the next 5 years in plastic furniture, material handling solutions and waste management products by providing innovative, affordable, sustainable, and high-quality products that cater to the evolving tastes and needs of our customers. Through a commitment to excellence, exceptional craftsmanship and eco-friendly practices, we strive to enhance the living spaces and lifestyles of our customers and contribute to a cleaner environment.



ITALICA'S BRAND IDENTITY

The Italica brand represents innovation, quality, and customer-centricity. Built on principles of durability, comfort, style, and affordability, Italica has become one of India's most loved brands in lifestyle furniture.

CORE VALUES DEFINING THE BRAND



Innovation

Italica thrives on delivering cutting-edge designs and solutions that cater to evolving consumer needs. With a focus on functionality and aesthetics, the company consistently introduces innovative products redefining industry standards.



Customer-Centricity

The brand prioritizes customer satisfaction by crafting products that combine practicality with style. Each offering is designed to enhance living spaces while providing lasting value, reflecting the company's deep understanding of market trends and consumer preferences.



Quality

PIL Italica stands as a benchmark for quality and safety. This commitment ensures that every product meets stringent international standards.



Sustainability and Responsibility

The brand emphasizes eco-friendly practices. Its dual focus on functionality and environmental responsibility aligns with its vision of promoting a cleaner, greener future.

PIL Italica *at a Glance*



GROWING PAN-INDIA PRESENCE

3,417
DEALERS

557
DISTRIBUTORS

21
STATES



WORKFORCE

2
MANUFACTURING UNITS

8,450
MTPA
MANUFACTURING CAPACITY

11
FULFILLMENT CENTERS



COMMITTED WORKFORCE

227
TEAM STRENGTH

51
DEDICATED MARKETING TEAM &
FLEET-ON-STREAM

JOURNEY SO FAR

Milestones of *Excellence*

SINCE ITS INCEPTION IN 1992, PIL ITALICA LIFESTYLE HAS EMBARKED ON A REMARKABLE JOURNEY, EVOLVING FROM A PIONEERING MANUFACTURER OF PLASTIC FURNITURE TO A VALUED LIFESTYLE BRAND. WITH A STEADFAST COMMITMENT TO QUALITY, INNOVATION, AND CUSTOMER SATISFACTION, THE COMPANY HAS CONSISTENTLY ACHIEVED MILESTONES THAT REFLECT ITS VISION OF REVOLUTIONIZING MODERN LIVING. FROM ESTABLISHING MANUFACTURING EXCELLENCE TO EMBRACING SUSTAINABILITY AND EXPANDING ITS PRODUCT PORTFOLIO, PIL ITALICA'S JOURNEY IS A PROOF OF ITS FORWARD-THINKING APPROACH.

1992

Solid Foundation

PIL Italica Lifestyle Limited was founded, laying the groundwork for innovation in the Indian plastic furniture industry.

1993

Operational and Financial Strength

The Company inaugurated its manufacturing facility in Udaipur, Rajasthan, and listed its shares on the Bombay Stock Exchange (BSE), establishing a robust operational and financial foundation.

1994

Early Growth

Listing on the National Stock Exchange (NSE) reinforced PIL Italica's market position, fostering investor trust and enabling sustained growth and product development.

2016

Diversification and Expansion

The Company expanded its portfolio by introducing material handling products, marking a significant diversification into industrial solutions.

2017

Industrial Crates Launch

PIL Italica began manufacturing industrial crates, catering to diverse industries such as agriculture, logistics, and e-commerce.

2018

Innovation and Sustainability

Aligning with the Clean India movement, PIL Italica launched eco-friendly dustbins and storage bins. It also introduced the Spine Care Chair Series to address ergonomic needs, showcasing its commitment to innovation.

LOOKING AHEAD

PIL Italica Lifestyle continues to build on its legacy by leveraging cutting-edge technology for product development while expanding its distribution network across India. Further, the Company has undertaken modernization and expansion of its Silvassa plant, investing in advanced equipment to improve production capacity as well as product capabilities.

With a focus on sustainability, innovation, and customer-centricity, the Company is poised for further growth as it strives to redefine comfort and functionality in modern living spaces.



2024

Capacity Enhancement

Acquisition of the Silvassa furniture unit from Kisan Mouldings Limited enhanced production capacity by 2,400 MTPA and strengthened strategic presence in southern and western India.

2025

Record Achievement

PIL Italica reached an all-time-high top line of ₹100 crore, marking a historic milestone in its growth trajectory.

2019

Strengthening Marketing Presence

A new marketing office was established in New Delhi to enhance the Company's presence in Northern India. The Plasteel Series was launched, offering stylish yet functional furniture solutions.

2020

Strategic Partnerships and Product Development

The launch of the OXY Series — the first fully ventilated stackable chair in India — highlighted PIL Italica's innovative capabilities. A strategic collaboration with Kisan Mouldings Limited expanded distribution channels and enabled exclusive marketing & distribution of "Kisan Crest Brand" for Plastic Moulded Furniture.



PRODUCT VERTICALS

Function

*Meets Form*

PIL ITALICA LIFESTYLE IS REDEFINING COMFORT AND FUNCTIONALITY THROUGH ITS INNOVATIVE AND DIVERSE PRODUCT PORTFOLIO, WHICH SPANS MULTIPLE VERTICALS. THE COMPANY'S FOCUS ON BLENDING ERGONOMIC DESIGNS WITH AESTHETIC APPEAL ENSURES THAT ITS PRODUCTS NOT ONLY SERVE THEIR FUNCTIONAL PURPOSE BUT ALSO ENHANCE THE AESTHETICS OF THE SPACES THEY OCCUPY. DRIVEN BY EXTENSIVE MARKET RESEARCH AND CUSTOMER-CENTRIC INNOVATION, PIL ITALICA CRAFTS PRODUCTS THAT CATER TO EVOLVING CONSUMER NEEDS, POSITIONING ITSELF AS A PREMIER LIFESTYLE BRAND.



CUSTOMER-CENTRIC PHILOSOPHY

PIL Italica's product development is guided by a deep understanding of consumer preferences and market trends. Extensive thought while product development ensures that each product is designed to enhance comfort while addressing specific customer needs. Whether it's furniture or material handling solutions, every item reflects the company's commitment to innovation and quality.

DIVERSE APPLICATIONS

The Company's versatile product mix caters to a wide array of applications:



PLASTIC FURNITURE

Homes, offices, restaurants, gardens, swimming pools.



MATERIAL HANDLING SOLUTIONS

Logistics hubs, food processing units.



WASTE MANAGEMENT PRODUCTS

Public spaces like parks and malls.

Through its innovative designs and sustainable practices across these verticals, PIL Italica Lifestyle continues to redefine modern living spaces while contributing to environmental preservation.

10

NEW PRODUCTS LAUNCHED IN FY25

EXPANDING INTO WOODEN FURNITURE

Recognizing the growing demand for premium furniture solutions beyond plastic offerings, PIL Italica has recently ventured into the wooden furniture category. This strategic expansion complements its existing portfolio by delivering high-quality wooden products that combine aesthetics with functionality.



PRODUCT VERTICALS (CONTD.)



Plastic Furniture



Luxury Series



Spine Care Series



Designer Series



Oxy Series



Premium Series



Armless series



Premium Series



Luxury Series



Phoenix Series



Designer Series



Plastic Stool



Plastic stool

Plastic furniture serves as the cornerstone of PIL Italica's portfolio, transforming the industry with solutions that are not only durable and stylish but also affordable. The Italica brand has become synonymous with innovation and excellence in the lifestyle plastic furniture segment, renowned for seamlessly integrating aesthetic appeal with long-lasting strength. Representing the majority of the Company's revenue, this expansive product range — crafted from over 150 precision-engineered moulds — offers a sustainable alternative to traditional materials, enriching both consumer lifestyles and living environments.

ADVANTAGES

- PIL Italica's unwavering commitment to innovation, coupled with the integration of advanced manufacturing technologies, enables the Company to produce a diverse array of products featuring intricate designs. This adaptability ensures the brand consistently meets evolving consumer preferences, offering an expansive selection to suit varied tastes.
- The Company's highly efficient production processes not only drive cost effectiveness but also minimize waste generation, reinforcing PIL Italica's dedication to environmentally responsible manufacturing.
- An extensive portfolio of moulds empowers PIL Italica to deliver a broad spectrum of Stock Keeping Units (SKUs), providing customers with abundant choices and elevating their overall brand experience.

APPLICATIONS

- PIL Italica's products are renowned for their versatility, finding widespread application across a range of environments including restaurants, swimming pools, gardens, tent houses, offices, and homes. In each setting, they enhance both comfort and visual appeal, enriching the user experience.

STRATEGIC EXPANSION

- The recent acquisition of the Umerkui (Silvassa) furniture unit from Kisan Mouldings Limited has significantly bolstered PIL Italica's footprint in southern and western India.
- By leveraging Silvassa's advantageous geographic location, the Company is poised to streamline its operations and benefit from efficient transportation networks. Future plans for the Umerkui facility include expanding capacity through machinery upgrades, launching new product lines, and diversifying offerings, all aimed at strengthening PIL Italica's market leadership across India.



Spine Care Series



Kids Chair



Designer Series



Plastic Table,



Dining Table



Plastic Storage Cabinet

PRODUCT VERTICALS (CONTD.)



Material Handling Products

The material handling range from PIL Italica showcases the Company's commitment to extending innovation into practical utility, offering products such as industrial crates that establish new standards for durability and performance. Engineered with premium, food-grade materials, these products deliver exceptional weather resistance, UV protection, and longevity, even in the most demanding environments.



ADVANTAGES

- PIL Italica's crates are crafted from superior food-grade materials, providing outstanding resilience against harsh weather conditions and UV exposure. Their robust build ensures reliability and a long service life, making them ideal for rigorous industrial use.
- Precision engineering underpins the design of these crates, with remarkable strength, durability and a lightweight build, facilitating ease of handling and operational efficiency.

APPLICATIONS

- The versatility of PIL Italica's material handling products extends well beyond plastic furniture, serving a broad spectrum of industries. Their utility spans sectors such as food and beverage, e-commerce, logistics, and more, demonstrating adaptability to varied operational needs.

KEY INDUSTRIES SERVED

- PIL Italica's material handling solutions cater to a diverse clientele, including the fruits and vegetables sector, hospitality and catering, electronics, engineering, automotive, textiles, fisheries, and food processing industries. These products also play a vital role in supporting many leading e-commerce platforms like Grofers, Big Basket, Ninja Cart, and Udaan, as well as logistics providers such as Delhivery, thereby enhancing operational efficiency and productivity across these industries.

PIL Italica's waste management product line, featuring a comprehensive selection of dustbins & wastebins exemplifies the Company's commitment to environmental stewardship. Engineered from premium materials for both indoor and outdoor applications, these products actively support national cleanliness initiatives such as the *Swachh Bharat Abhiyan*, fostering improved hygiene and sanitation in public spaces.



Swing Dustbin



Wastebin



Wastebin

ADVANTAGES

- PIL Italica's dustbins are meticulously crafted from high-quality materials, ensuring exceptional durability and reliable performance in a wide range of environments, both indoors and outdoors.
- By aligning with the Government of India's *Swachh Bharat* Initiative, PIL Italica significantly contributes to effective waste management and the promotion of cleaner communities through its innovative product range.

APPLICATIONS

- Renowned for their versatility, PIL Italica's waste management solutions are widely deployed across public & commercial spaces such as hospitals, railway stations, shopping centers, parks, airports, commercial establishments, and residential complexes.
- These products play an integral role in advancing PIL Italica's environmental responsibility, with extensive distribution to municipal corporations and public institutions, reinforcing the Company's dedication to sustainable urban development.



Waste Management Products

MANUFACTURING INFRASTRUCTURE

Moulding Excellence

OVERVIEW

PIL Italica Lifestyle Limited's manufacturing infrastructure stands as a benchmark in the industry, combining advanced technology with operational excellence. The Company operates 2 state-of-the-art manufacturing facilities: its flagship plant in Udaipur, Rajasthan, and a strategically acquired unit in Silvassa. Together, these facilities enable PIL Italica to deliver a diverse, high-quality product portfolio across its core categories - plastic furniture, material handling solutions, and waste management products - while consistently upholding rigorous quality standards and driving innovation.

2

MANUFACTURING FACILITIES

8,450

MTPA

CUMULATIVE PRODUCTION CAPACITY

Udaipur Facility



FLAGSHIP MANUFACTURING HUB

The Udaipur facility is the cornerstone of PIL Italica's manufacturing operations. Spanning 18,000 sq. m., with 12,500 sq. m. dedicated to the production shop, it is equipped with more than 150 advanced moulds and modern machinery.

CAPACITY & OUTPUT

With an installed capacity of 6,050 MTPA, this ISO 9001:2015 certified plant is instrumental in producing the Company's extensive range of plastic furniture, material handling, and waste management products.

ROLE IN INNOVATION

The facility's scale and technical capabilities enable the development of new designs and support PIL Italica's commitment to quality, efficiency, and product diversity.

ISO 9001:2015

CERTIFICATION

150+

ADVANCED MOULDS

6,050

MTPA

PRODUCTION CAPACITY

716

PRODUCT VARIANTS

COMMITMENT TO QUALITY

PIL Italica's manufacturing ethos are deeply rooted in our commitment to quality. The Company's ISO 9001:2015 accreditation and its distinction as the only Indian manufacturer of CE-certified plastic furniture underscore a consistent pursuit of excellence. Every product is crafted to not only meet but exceed international standards, ensuring lasting value, safety, and customer satisfaction.

PIL Italica Lifestyle's robust manufacturing infrastructure underpins its leadership in the lifestyle furniture sector. By continually investing in technology, capacity, and quality, the Company is well-positioned to meet evolving market demands and deliver innovative, reliable products that set new benchmarks for the industry.

CAPACITY EXPANSION

In line with its growth strategy, PIL Italica's Board has approved a significant capacity expansion initiative at the Silvassa facility. This project, with a planned capital outlay of ~₹25 crore funded through a mix of internal accruals and external debt, will see the installation of new injection moulding lines, the acquisition of advanced moulds and dyes, and the introduction of new products at Silvassa facility. Once implemented in phases, this expansion will boost Silvassa's annual production capacity by 1,600 MTPA, enabling the Company to manufacture a wider range of value-added products across all 3 core categories and further solidify its market position.

~₹25 CRORE

PLANNED CAPEX

Silvassa Facility



STRATEGIC ACQUISITION

The Umerkui (Silvassa) unit, acquired from Kisan Mouldings Limited, has been a pivotal expansion for PIL Italica. Covering 17,486 sq. m. with 6,000 sq. m. of production space, the facility currently houses 51 specialized moulds and boasts a capacity of 2,400 MTPA, set to rise to 4,000 MTPA post-expansion.

GEOGRAPHIC ADVANTAGE

Silvassa's strategic location enhances logistics, supporting efficient distribution throughout southern and western India and enabling seamless integration with national transportation networks.

GROWTH ROADMAP

The facility is slated for further upgrades, including machinery enhancements and inventory expansion, to diversify the product mix and support the Company's ambitious growth objectives.



2,400

MTPA

CURRENT PRODUCTION CAPACITY

51

ADVANCED MOULDS

4,000

MTPA

EXPANDED PRODUCTION CAPACITY

155

PRODUCT VARIANTS

EXPANDING PRESENCE

Mapping Success Across India

PIL ITALICA LIFESTYLE HAS STEADILY EVOLVED INTO A TRULY PAN-INDIA BRAND, ESTABLISHING A ROBUST OPERATIONAL FOOTPRINT THAT SPANS THE LENGTH AND BREADTH OF THE COUNTRY. WITH A STRATEGIC SALES AND DISTRIBUTION NETWORK COMPRISING OVER 3,417 DEALERS AND 557 DISTRIBUTORS, THE COMPANY IS PRESENT IN 21 STATES AND UNION TERRITORIES, ENSURING ITS PRODUCTS ARE ACCESSIBLE FROM METROPOLITAN HUBS TO REMOTE LOCALES.

PIL Italica's growing geographical presence is a testament to its customer-centricity in the plastic furniture industry. The Company's products can be found delivering comfort and aesthetics in homes, offices, restaurants, public spaces, and institutions across India.

STRATEGIC EXPANSION AND DISTRIBUTION NETWORK



Key Markets
PIL Italica's presence covers major regions including North, West, South, and Central India, with particularly strong distribution in states such as Rajasthan, Gujarat, Maharashtra, Karnataka, Tamil Nadu, Madhya Pradesh, Uttar Pradesh, Chhattisgarh, Andhra Pradesh, Telangana, and more.



Fulfilment Centres
The company operates 11 fulfilment centres in strategic locations such as Hyderabad, Kanpur, Bengaluru, Bhiwandi, Ghaziabad, Jabalpur, and Zirakpur, further streamlining supply chain efficiency and product availability.



Urban and Rural Penetration
PIL Italica's distribution strategy ensures its products reach both urban centres and rural markets, driven by a "think global, act local" philosophy that prioritizes customer relationships and local market needs.

3,417
DEALERS

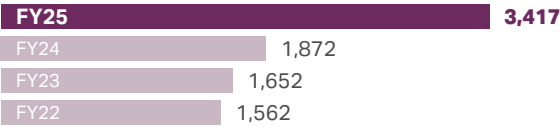
557
DISTRIBUTORS

21
STATES & UNION TERRITORIES

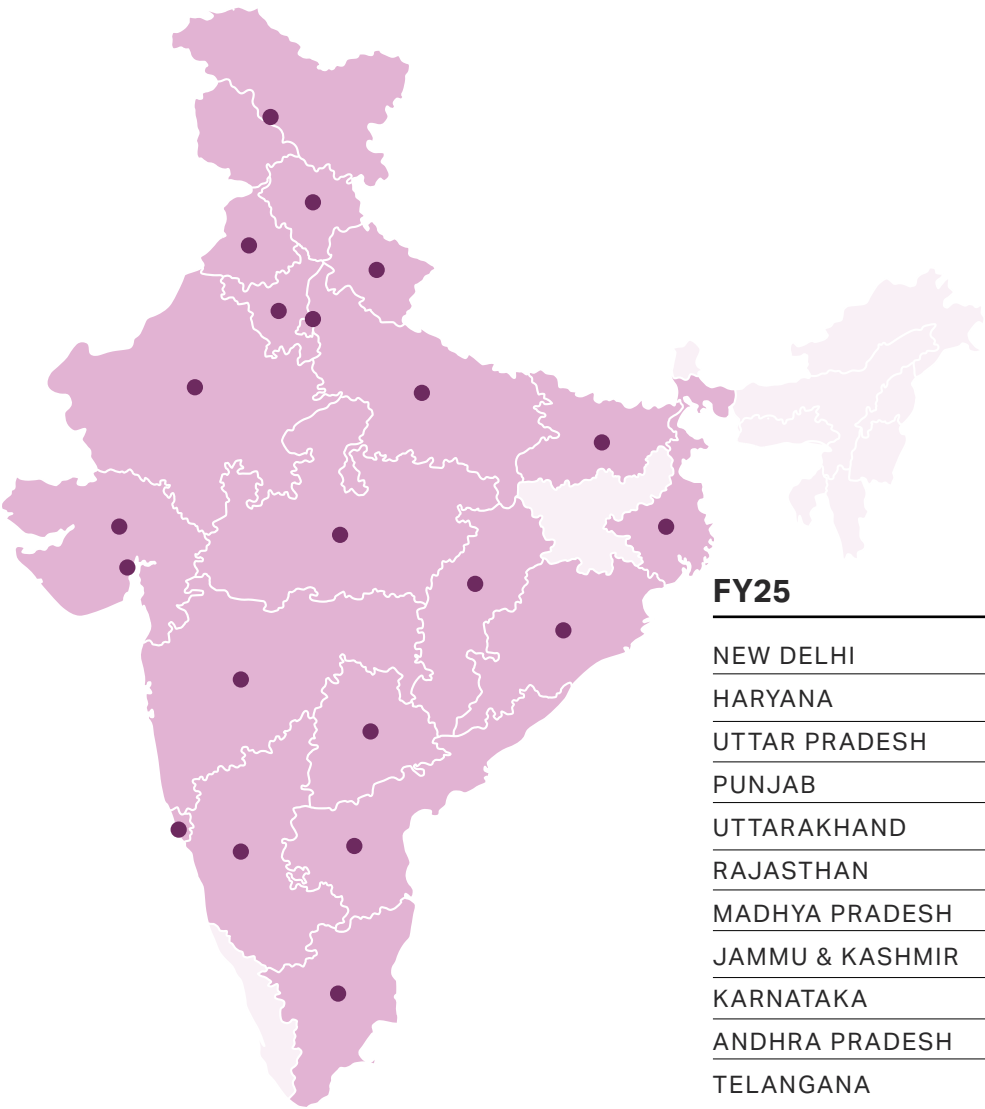
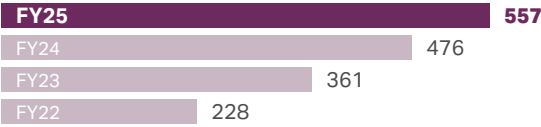
11
FULFILMENT CENTRES

DISTRIBUTION NETWORK

DEALERS



DISTRIBUTORS



Map not to scale, only for illustration purpose

FY25

NEW DELHI	TAMILNADU
HARYANA	CHHATTISGARH
UTTAR PRADESH	MAHARASHTRA
PUNJAB	GOA
UTTARAKHAND	GUJRAT
RAJASTHAN	DAMAN& DADRA NAGAR HAVELI
MADHYA PRADESH	ODISHA
JAMMU & KASHMIR	WEST BENGAL
KARNATAKA	BIHAR
ANDHRA PRADESH	HIMACHAL PRADESH
TELANGANA	

STRENGTHENING PRESENCE THROUGH STRATEGIC ACQUISITIONS

The acquisition of the Silvassa unit has been pivotal in deepening PIL Italica's roots in the Southern and Western markets. This move has not only enhanced manufacturing capabilities but also optimized the Company's distribution network, enabling seamless access to new markets and faster delivery times.

Continued growth in central regions such as Madhya Pradesh and Chhattisgarh further solidifies PIL Italica's national presence, showcasing a strategic blend of geographic and market diversification.

EXPANDING HORIZONS

Future Focus

With a clear vision to be an integral part of every Indian locale, PIL Italica is intensifying its efforts to deepen market penetration, especially in emerging regions such as East and North-East India. Plans are underway to launch new product lines and expand into categories like kids' and study furniture, further broadening the Company's reach.

Digital Initiatives

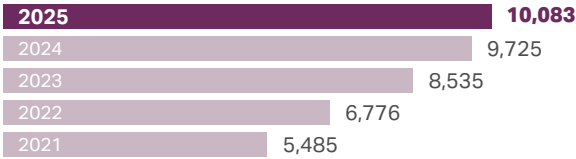
In addition to its physical network, PIL Italica has invested in digital marketing and e-commerce platforms to enhance brand visibility and accessibility, ensuring customers across India can easily discover and purchase its products.

KEY PERFORMANCE INDICATORS

Numbers that
define our success

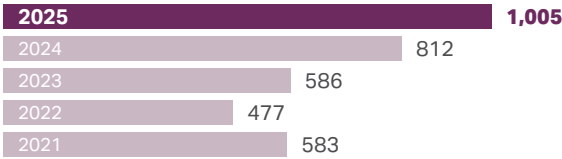
TOTAL INCOME
(₹ IN LAKHS)

10,083



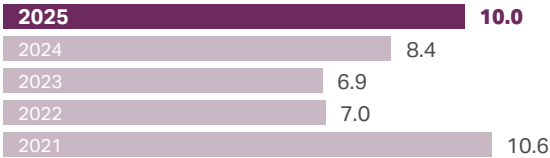
EBITDA
(₹ IN LAKHS)

1,005



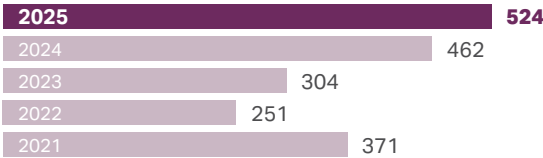
EBITDA MARGIN
(IN %)

10.0%



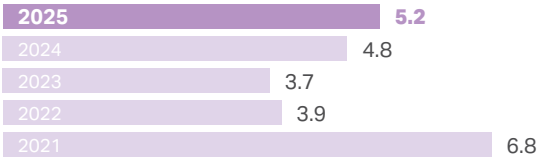
PROFIT AFTER TAX
(₹ IN LAKHS)

524



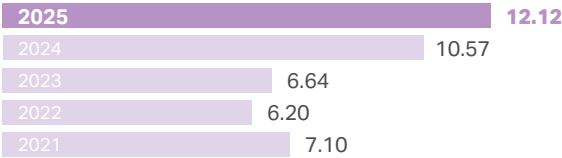
PAT MARGIN
(IN %)

5.2%



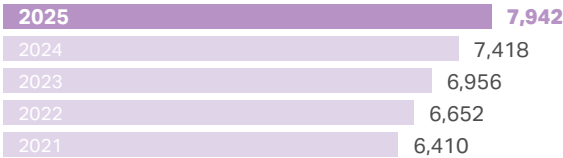
ROCE
(IN %)

12.12%



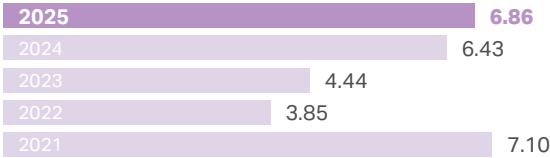
NETWORTH
(₹ IN LAKHS)

7,942



ROE
(IN %)

6.86%



LETTER TO SHAREHOLDERS

Navigating Challenges, *Building for the Future*

AS WE REFLECT ON THE YEAR GONE BY, I AM PLEASED TO SHARE WITH YOU THE PROGRESS, CHALLENGES, AND STRATEGIC INITIATIVES THAT HAVE SHAPED PIL ITALICA LIFESTYLE'S JOURNEY IN THE LAST FINANCIAL YEAR. DESPITE FACING HEADWINDS IN THE EXTERNAL ENVIRONMENT, WE HAVE REMAINED STEADFAST IN OUR COMMITMENT TO LONG-TERM GROWTH AND VALUE CREATION.

MACROECONOMIC CONTEXT AND PERFORMANCE REVIEW

FY25 has been a subdued period from a macroeconomic perspective, especially for the consumer market in India. The demand scenario has not been conducive over the last couple of quarters, influenced by factors such as inflation hitting the pockets of consumers, tepid income growth, and consequently lower disposable income for lifestyle products. Headline inflation numbers reflect the challenging price environment that has affected consumer spending patterns.

These macro factors have weighed on our performance for FY25, reflecting in topline growth moderation during the period under review. Revenue for FY25 reached ₹100.83 crore, reflecting a year-on-year increase of 4%. Meanwhile, EBITDA margins improved from 8.4% in FY24 to 10.0% in FY25, contributing to a rise in Net Profit from ₹4.62 crore in FY24 to ₹5.24 crore in FY25. Despite these short-term challenges, I am confident that our Company has demonstrated operational resilience and remains committed to investing in future growth.

Unwavered by the immediate macro challenges, PIL Italica has continued to build on its long-term strategic initiatives that will position us for sustainable growth in the years ahead.

STRENGTHENING PORTFOLIO

To begin with, the Company has been working towards strengthening its portfolio through new product launches. More emphasis is on launches of value-added products that enable better margins.

We have stepped up launches in our Wedding Chairs collection, Kids World collection with new models, as well as unique launches such as our Phoenix Folding Chair - which is India's first fully plastic made folding chair. These launches follow our previous innovations such as Ventilation chairs, Spine Care series, and Luxury series.



Investments are planned to increase the library of moulds & dyes at our manufacturing sites, which will allow for a broader product portfolio. This aligns with our strategy to shift towards more value-added products, which will drive better realizations and aid our margin growth, as alluded to earlier.

CAPITAL EXPENDITURE

Recognizing the need for further investments in our facility, we have also announced a capital outlay of ₹25 Crore for our Silvassa facility. This investment demonstrates our commitment to growth even in challenging times.

It will involve investments into a new injection moulding lines equipped with the latest technology, as well as investments into new moulds and dyes to enhance the production capacity as well as capabilities of this site in terms of a broader product portfolio. Overall, we expect an increase in production capacity to the tune of 1,600 MTPA from these initiatives. This expansion will be implemented in a phased manner by March 2026.

Once the expansion is completed, our total production capacity will rise from 8,450 MTPA to 10,050 MTPA, reinforcing our commitment to meeting the evolving needs of our customers. This expansion will also bolster our capacity to cater well to the Western markets, where we have historically maintained a strong presence.

STEPPING UP BRAND VISIBILITY

To make the most of our expanding manufacturing capacity, we will be investing further in our marketing initiatives and distribution channels to enable the reach of our products across the country.

To increase brand awareness for Italica, we have stepped up our spending for initiatives such as newspaper advertisements during the festive seasons in regional papers. We have also launched campaigns such as 'Store on Wheels' where we operated small commercial vehicles with product samples & demonstrations in new markets such as Eastern India.

We also launched an 'Arch Gate' campaign during Diwali & Durga Puja in Northern and Eastern parts of India with arch gates installed at dealer shops & stores, coupled with other dealer branding initiatives.

At the same time, we have been participating in exhibitions & trade fairs in Lucknow, Prayagraj, Chennai, Gandhinagar, Goa, Noida, Jhunjhunu among other markets to showcase our latest innovations, connect with industry stakeholders, and explore new business opportunities.

Lastly, we have bolstered our digital marketing & digital footprint of the Italica brand. Be it through running meticulous social media campaigns, or through new initiatives such as Brand Promotion & Advertisement during the IPL on Jio

Cinema Application. These efforts have not only increased our online engagement but also strengthened our brand recognition across various platforms.

NEW GEOGRAPHIES

As I have detailed in my earlier letters, over the last couple of years, PIL Italica has been emphasizing more on geographical expansion with the ultimate objective of establishing a Pan-India presence.

In recent years, we have stepped up our focus on markets in Northern, Eastern and Southern India, expanding beyond our stronghold in the Western markets. We have made significant progress in opening up new markets, appointing dealers & distributors in said markets, and strengthening our foothold across different regions. We have also appointed dedicated teams & fleet-on-street to enable on-ground visibility of our brand.

To ensure our products reach markets on time, and to cater to the growing needs of the market, we have established fulfillment centers in these regions, ensuring timely supply of products to the distribution channel. As of FY25, we had 11 fulfillment centers serving customers across various states and union territories.

We also have plans to bolster our manufacturing & distribution infrastructure in the future through new manufacturing as well as fulfillment locations, as and when the external environment becomes more conducive, and we get back on the growth track.

LOOKING AHEAD

As we begin a new year, we are hopeful of a more conducive external environment, enabling us to see the early results of our strategic objectives. We maintain our optimism about improving macro conditions.

Our focus remains unwavering on delivering exceptional products, fostering innovation in all aspects of our operations, and creating value for our stakeholders. We believe that our strategic initiatives in product innovation, capacity expansion, and market penetration will position us well to capitalize on opportunities as the market recovers.

On behalf of the entire PIL Italica team, I extend my sincere gratitude to our shareholders for their unwavering support and trust. Together, we will continue to scale new heights and create a lasting legacy in the industry.

Yours sincerely,

Daud Ali
Managing Director

GROWTH STRATEGIES

Blueprint of *Our Strategy*

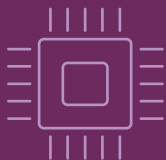
PIL ITALICA LIFESTYLE IS CHARTING A DYNAMIC PATH FOR SUSTAINABLE AND PROFITABLE GROWTH BY LEVERAGING ITS STRONG BRAND EQUITY, INNOVATIVE PRODUCT PORTFOLIO, AND UNWAVERING COMMITMENT TO OPERATIONAL EXCELLENCE. THE COMPANY'S MULTI-PRONGED APPROACH IS DESIGNED TO DEEPEN MARKET PENETRATION, DRIVE TECHNOLOGICAL ADVANCEMENT, AND ESTABLISH ITS POSITION AS A LEADER IN THE LIFESTYLE FURNITURE INDUSTRY.

CORE STRATEGIES



Leveraging Technology

PIL Italica continuously invests in state-of-the-art manufacturing technologies, including advanced injection moulding lines and precision-engineered moulds and dyes. This commitment to technological leadership not only enhances production efficiency but also enables the rapid development of innovative designs that anticipate evolving market trends and consumer preferences. By integrating new and proven technologies, the Company maintains a competitive edge and sets new industry benchmarks.



Market Penetration

The Company is aggressively expanding its sales channel by growing its distributor and dealer network, ensuring deeper domestic market reach and reinforcing its ambition to be a true pan-India brand. This is complemented by a robust digital and omni-channel strategy, including a strong presence on e-commerce platforms and targeted digital marketing initiatives. These efforts enhance brand visibility and accessibility, making PIL Italica a preferred choice among modern consumers.



Embracing Sustainability

Sustainability is at the heart of PIL Italica's growth agenda. The Company champions eco-friendly manufacturing practices and its waste management product portfolio aligns closely with national initiatives like *Swachh Bharat Abhiyan*. By prioritizing recyclability and resource efficiency, PIL Italica not only builds a positive brand image but also appeals to environmentally conscious customers, reinforcing its role as a responsible industry leader.



Luxury & Premiumisation

Recognizing the growing demand for premium lifestyle products, PIL Italica is strategically expanding its portfolio to include luxury and value-added SKUs. This focus on premiumisation allows the Company to capture higher-value market segments and respond to evolving consumer aspirations, thereby driving sustained growth and elevating standards of comfort, style, and quality.



Institutional and B2B Channels

A dedicated approach to institutional sales and B2B partnerships positions PIL Italica as a trusted provider of quality furniture solutions for a diverse range of clients. This strategy not only strengthens the Company's market position but also builds a robust foundation for long-term growth in the institutional segment.



Regional & Global Strategies

PIL Italica's expansion in southern India, facilitated by strategic acquisitions and contract manufacturing, taps into unique regional market dynamics and ensures a comprehensive pan-India presence. Simultaneously, the Company is pursuing global opportunities through strategic partnerships and export initiatives, balancing its local roots with international ambitions.



Customer Centricity

At the core of PIL Italica's ethos is a relentless focus on customer-centric innovation. The Company closely monitors production trends and consistently launches breakthrough products - such as the Plastic Sun-lounger, Spine Care Series, Ventilated Chair, and Foldable Chairs - that address the changing needs and preferences of its diverse customer base, ensuring continued industry leadership.



Strengthening Supply Chain

By strategically locating fulfilment centres closer to key markets, PIL Italica enhances operational efficiency and accelerates delivery timelines. This supply chain optimization not only improves customer satisfaction but also reinforces the Company's reputation for reliability and excellence in every interaction.

Through these targeted growth strategies, PIL Italica Lifestyle is well-positioned to capture new opportunities, deliver exceptional value to stakeholders, and sustain its leadership in the evolving landscape of lifestyle furniture and solutions.



LEADERSHIP TEAM

The Team Driving
Transformation

BOARD OF DIRECTORS

Mr. Daud Ali
Managing Director

Mr. Daud Ali, a first-generation entrepreneur and commerce graduate, brings over four decades of rich experience and business acumen in the plastics industry. As a visionary leader, he guided PIL Italica to a successful listing on both the BSE and NSE as early as 1993. In his capacity as Managing Director, Mr. Ali formulates and executes strategic decisions, steering the Company's growth. His hands-on leadership and entrepreneurial spirit have propelled PIL Italica to prominence both domestically and internationally, establishing it as an industry leader. He has been honored with the prestigious Udyog Patra Award by the Institute of Trade and Industrial Development, New Delhi, and the Vikas Ratna Award by the International Society for Friendship of India.

Mr. Narendra Bhanwat
Whole Time Director and Chief Financial Officer

A commerce graduate with over 36 years of experience in the plastic furniture industry, Mr. Narendra Bhanawat has been an integral part of PIL Italica since its inception. He plays a key role in shaping the Company's operational policies and provides strategic guidance in planning and accounting. His expertise has been instrumental in the successful implementation of policies, significantly contributing to PIL Italica's journey towards excellence.

Mr. Mukesh Kumar Kothari
Non-Executive, Non-Independent Director

Mr. Mukesh Kumar Kothari holds a postgraduate degree in ABST (Accounting and Business Statistics) and brings over 31 years of expertise in accounts, taxation, income tax, GST, and finance. In addition to his role at PIL Italica Lifestyle, he serves as Treasurer of Bharat Vikas Parishad, Lake City, Udaipur.



Mr. Himanshu Surendrakumar Gupta
Non-Executive, Independent Director

Mr. Himanshu Surendrakumar Gupta is a qualified Company Secretary and practicing professional, with in-depth knowledge and experience in corporate and securities laws, finance, and management. He is actively involved in assignments related to public issues, listing and post-listing matters, acquisitions and takeovers, corporate restructuring, and representation before statutory authorities such as SEBI and SAT.



Ms. Apeksha Agiwal
Non-Executive, Independent Director

Ms. Apeksha Agiwal is a Chartered Accountant with diverse experience in finance, including taxation, direct and indirect tax compliance, audit, and MIS reporting. She has taken on the role of Chairperson for the Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, and Stakeholders Grievances Committee w.e.f. 10.05.2024.



Ms. Sonal Mantri
Non-Executive, Independent Director

Ms. Sonal Mantri, 35 years old, is a Company Secretary by qualification and currently working as a Practicing Company Secretary and has enriching knowledge and experience of more than 10 Years in Corporate & Securities Laws and Management and is actively engaged in assignments pertaining to Secretarial and Statutory Compliances etc.

- Audit Committee
- Nomination & Remuneration Committee
- Risk Management Committee
- Stakeholders Grievance Committee

SENIOR LEADERSHIP

Mr. Rajendra Kumar Heda
Sr. Vice President, Operations

Mr. Rajendra Kumar Heda, holding qualifications in CA, CS, LL.B., B.Com, and ICMA, has been with PIL Italica Lifestyle since 1993. He plays a pivotal role in policy-making, strategic planning, and oversees the development and implementation of operational policies and procedures, ensuring seamless and efficient Company operations.

Mr. Yogesh Jangid
Vice President - Marketing, Pan India

With over 17 years of experience at Companies such as Nilkamal and Crompton Greaves, Mr. Yogesh Jangid leads marketing across India for PIL Italica Lifestyle. He is recognized for driving brand growth through innovative strategies and integrated marketing campaigns.

Mr. Aftab Jawaid
Vice President (Sales & Marketing)

Mr. Aftab Jawaid, an MBA in Marketing, brings over 30 years of experience from leading companies like Nilkamal, Time Technoplast, and Kisan Moulding. His leadership has been crucial in executing expansion strategies and launching new business lines, significantly contributing to the Company's growth.

Mr. P. K. Humad
Assistant General Manager

Mr. P. K. Humad, with a postgraduate diploma in plastic processing technology and nearly three decades of experience in injection moulding, has been with PIL Italica Lifestyle since its inception. He oversees daily production activities and is dedicated to creating an efficient framework for moulded furniture production.

Mr. Sunil Saraswat
General Manager (Sales and Marketing)

A B.Tech (Civil Engineer) with over 31 years of experience, Mr. Sunil Saraswat heads the Sales & Marketing department of the plastic furniture division. He is responsible for developing and nurturing relationships with clients, dealers, and distributors, and brings prior experience from Nilkamal.

Mr. Rajat Raja Kothari
Company Secretary and Compliance Officer

Mr. Rajat Raja Kothari is a commerce graduate from Mohan Lal Sukhadiya University, Udaipur, and an Associate Member of the Institute of Company Secretaries of India. With 7 years of experience in corporate and securities law, finance, and management, he oversees company law, SEBI LODR compliances, and accounting and taxation matters for PIL Italica Lifestyle.

SUSTAINABILITY INITIATIVES

Building a Legacy of *Responsibility*

PIL ITALICA LIFESTYLE INTEGRATES SUSTAINABILITY INTO THE CORE OF ITS BUSINESS, CHAMPIONING ECO-FRIENDLY PRACTICES AND RESPONSIBLE MANUFACTURING ACROSS EVERY FACET OF ITS OPERATIONS. BY ALIGNING WITH NATIONAL INITIATIVES SUCH AS SWACHH BHARAT ABHIYAN, ADOPTING RECYCLABLE RAW MATERIALS, AND UTILISING RENEWABLE ENERGY AT ITS MANUFACTURING SITES, THE COMPANY MINIMIZES ITS ENVIRONMENTAL IMPACT WHILE SETTING NEW BENCHMARKS FOR CORPORATE ENVIRONMENTAL STEWARDSHIP IN THE PLASTIC FURNITURE INDUSTRY.

KEY SUSTAINABILITY INITIATIVES



WASTE MANAGEMENT

PIL Italica's commitment to environmental well-being is exemplified through its robust waste management product line, which directly supports the goals of the *Swachh Bharat Abhiyan*. By supplying dustbins, wastebins and garbage storage products to municipal bodies, hospitals, public spaces, and residential complexes, the Company plays an active role in fostering cleaner, healthier communities across India.



SUSTAINABLE MANUFACTURING

Sustainability is woven into PIL Italica's manufacturing ethos. The Company emphasizes recyclability and the adoption of innovative technologies, such as modern injection moulding and resource-efficient processes. The use of renewable energy at its facilities further reduces its carbon footprint, demonstrating a clear commitment to environmental conservation and responsible production. All manufacturing waste is reused, supporting a circular production model and minimizing landfill contributions.



ECO-FRIENDLY PRACTICES

PIL Italica pursues zero-waste production and efficient resource management, striving to reduce ecological impact at every stage of the value chain. The Company's ongoing efforts to enhance these practices underscore its resolve to leave a positive, lasting legacy for future generations. This includes a shift towards sustainable materials and continuous evaluation of alternative technologies to further improve environmental performance.

LOOKING AHEAD

As PIL Italica continues to expand its operations and product portfolio, sustainability remains a cornerstone of its strategic outlook. The Company is committed to further reducing its carbon footprint, introducing innovative eco-friendly products, and supporting national and global environmental goals. Through these efforts, PIL Italica Lifestyle not only enhances its brand reputation but also contributes meaningfully to a cleaner, greener, and more sustainable future for all.

MANAGEMENT DISCUSSION AND ANALYSIS

Annexure B:
Management Discussion
and Analysis

PURSUANT TO SEBI (LODR) REGULATIONS, 2015, YOUR
DIRECTORS HAVE THE PLEASURE IN PRESENTING THE
MANAGEMENT DISCUSSION AND ANALYSIS REPORT FOR THE
YEAR ENDED ON MARCH 31, 2025.

ECONOMIC OVERVIEW

Global Economy

The global economic outlook for 2025 remains fragile, marked by divergent growth trajectories, persistent policy uncertainty, and mounting risks of stagnation. According to the IMF's January 2025 World Economic Outlook, global growth is projected at 3.3% for both 2025 and 2026, unchanged from October 2024 forecasts. However, this aggregate figure masks significant regional disparities. Advanced economies like the United States are expected to grow at 2.7% in 2025, revised upward by 0.5% points due to robust consumption and investment. In contrast, the euro area faces a downgrade to 1.0% growth amid weak manufacturing and geopolitical tensions, while China's growth is marginally revised to 4.6% in 2025, constrained by property market drag and trade policy uncertainty. Emerging markets, particularly in Latin America and sub-Saharan Africa, show modest improvements but remain vulnerable to external shocks.

Inflation dynamics are uneven, with global headline inflation projected to decline to 4.2% in 2025, though services inflation remains sticky in advanced economies like the U.S. and Europe. Central banks face a delicate balancing act between

maintaining restrictive policies where inflation persists, while cautiously easing in regions like Europe as price pressures recede. However, trade policy shocks and financial volatility threaten to disrupt disinflation progress. The IMF warns that escalating tariffs could pass through to consumer prices more sharply than in previous cycles, especially given elevated inflation expectations and tighter cyclical conditions.

The April 2025 IMF update underscores these challenges, highlighting a global growth forecast of 3.2% for 2025, marginally lower than earlier projections. Structural headwinds — such as aging populations, weak productivity, and geoeconomic fragmentation — are expected to cap medium-term growth at 3.1%, the lowest in decades. Regional divergences intensify: while the U.S. benefits from fiscal resilience and deregulation, Europe's stagnation persists, and China's slowdown weighs on emerging Asia. The World Bank and UNCTAD offer more pessimistic assessments, projecting global growth at 2.7% and 2.3%, respectively, citing trade disruptions, debt vulnerabilities, and climate risks. For instance, UNCTAD warns that reciprocal tariffs could shrink global trade growth by 0.5% points in 2025, disproportionately impacting developing economies.

Sources: IMF, UNCTAD, S&P Global

Monetary and fiscal policy trade-offs complicate the outlook. The IMF emphasizes the need for advanced economies to rebuild fiscal buffers while supporting growth through structural reforms. In emerging markets, tighter financial conditions and dollar strength strain external balances, necessitating targeted interventions to stabilize currencies. Meanwhile, S&P Global notes rising input costs in manufacturing due to tariffs, with U.S. core goods inflation accelerating since late 2024. Despite these pressures, services inflation shows signs of moderation, offering some relief.

Looking ahead, downside risks dominate. Escalating trade tensions, geopolitical conflicts, and climate-related shocks could further destabilize growth. The IMF stresses that multilateral cooperation is critical to mitigating fragmentation, particularly in restoring WTO dispute mechanisms and fostering resilient supply chains. However, with policy uncertainty at historic highs and medium-term growth prospects dimming, the global economy remains on a precarious path, requiring coordinated action to avoid prolonged stagnation.

Indian Economy

India's economic outlook for 2025, presents a picture of resilient and broad-based growth amid global uncertainties and evolving domestic challenges. Real GDP growth for FY25 is estimated at 6.4%, aligning closely with the country's decadal average, and projections for FY26 range between 6.3-6.8%. This steady performance is underpinned by robust macroeconomic fundamentals, a rebound in rural demand, and the government's sustained focus on capital expenditure and infrastructure development.

As per the Department of Economic Affairs, the private consumption expenditure is expected to grow by 7.3% in FY25, largely driven by a revival in rural demand following improved agricultural output. The agriculture sector is projected to expand by 3.8%, supported by record kharif foodgrain production and favorable monsoon conditions. The industrial sector is estimated to grow by 6.2%, with construction, electricity, and utilities providing strong support despite some moderation due to global trade headwinds. The services sector remains a key pillar, forecast to grow by 7.2%, fueled by robust activity in finance, real estate, public administration, and particularly strong growth in services exports, which surged by 12.8% during April–November FY25.

Government capital expenditure continues to be a central growth driver. India's fiscal position remains stable, with a focus on adhering to the fiscal consolidation roadmap and targeting a fiscal deficit of 4.5% of GDP by FY26. Gross FDI inflows revived strongly, increasing by 17.9% in the first eight months of FY25 compared to the previous year, signaling renewed investor confidence. India's foreign exchange reserves, though moderating from their September 2024 peak, remain robust at over \$634 billion, sufficient to cover nearly 11 months of imports and 90% of external debt, thus safeguarding against external shocks.

Sources: Department of Economic Affairs, Ministry of Finance

Headline retail inflation softened to 4.9% during April–December 2024, with expectations of further alignment towards the Reserve Bank of India's 4% target in FY26. While food inflation remains elevated, particularly for vegetables and pulses, strong agricultural performance and proactive government interventions are expected to ease pressures. The RBI's monetary policy has shifted towards cautious easing, supporting both household consumption and private investment.

The unemployment rate declined to 3.2% in 2023-24, reflecting ongoing formalization and job creation, especially in the services sector. Social sector spending, particularly on health and education, has seen significant increases, with government health expenditure rising to 48% of total health spending and out-of-pocket expenses declining sharply.

Despite these strengths, the outlook is tempered by notable risks. Global trade and geopolitical uncertainties, potential commodity price shocks, and subdued private capital expenditure remain key concerns. The Economic Survey emphasizes the need for systematic deregulation and grassroots-level reforms to enhance India's global competitiveness and unlock the potential of the MSME sector. Continued infrastructure investment, particularly in renewable energy and logistics, is identified as critical for sustaining high growth over the next two decades.



MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

INDUSTRY OVERVIEW

Global Plastic Furniture Market Overview

The global plastic furniture market is experiencing sustained growth, driven by a convergence of economic, demographic, and lifestyle trends that are reshaping consumer preferences worldwide. The market is projected to reach a value of approximately USD 15.87 billion in 2025, with forecasts indicating expansion to between USD 19.54 billion and USD 23.53 billion by 2030–2032, at a compound annual growth rate (CAGR) ranging from 3.8% to 4.9% as per different publications. This growth trajectory is underpinned by several key factors: affordability, durability, lightweight, and the low maintenance requirements of plastic furniture, which collectively make it an attractive alternative to traditional wood and metal furnishings.

A significant driver of market expansion is the rising demand for versatile, space-efficient, and modular furniture solutions, particularly in urban environments where living spaces are shrinking due to rapid urbanization. The plastic furniture segment has benefited from the trend toward nuclear families and compact homes, with consumers favoring products that are easy to move, assemble, and adapt to various uses. In parallel, the hospitality and real estate sectors are fueling demand for functional, weather-resistant, and cost-effective furniture, especially for outdoor and semi-outdoor settings such as patios, gardens, and public spaces. Plastic furnishing range includes everything from chairs and tables to sofas and storage units, addressing a broad spectrum of functional and aesthetic preferences.

Regionally, Asia-Pacific stands out as the fastest-growing market, propelled by increasing disposable incomes, urbanization, and the dominance of manufacturing hubs in China, India, and Southeast Asia. These regions not only serve as major production centers due to their cost advantages and established industrial infrastructure but also represent burgeoning consumer markets as middle-class populations expand. North America currently holds the largest share of the global plastic furniture market, driven by renovation cycles, a preference for affordable and stylish solutions, and a strong culture of outdoor living. Europe remains a significant market, particularly for innovative and design-driven products, though much of its supply is sourced from Asia due to lower production costs.

Sustainability has also emerged as a central theme within the industry, responding to growing environmental concerns over plastic waste. Manufacturers are increasingly investing in the use of recycled plastics, including ocean waste, and developing biodegradable alternatives to address regulatory pressures and shifting consumer expectations. The market is witnessing a proliferation of eco-friendly product lines, with many global companies leading efforts in sustainable design and production. This trend is further reinforced by the rise of e-commerce, which has expanded consumer access to a wide variety of plastic furniture options and facilitated the growth of direct-to-consumer brands.

Design innovation remains a competitive differentiator, with manufacturers focusing on aesthetics, multifunctionality, and customization to overcome the perception that plastic furniture is less elegant or durable than wood or metal alternatives. Technological advancements in molding and materials science have enabled the creation of products that mimic the look and feel of traditional materials while offering superior resistance to moisture, pests, and UV exposure. The residential segment dominates global unit sales, accounting for roughly 70% of demand, but commercial applications in offices, hospitality, healthcare, and education are also expanding rapidly.

Despite these positive trends, the market faces challenges such as environmental regulations, fluctuating raw material prices, and lingering perceptions of inferior quality. The industry’s long-term success will depend on its ability to balance affordability and versatility with the imperative for sustainability and higher design standards. As urbanization accelerates and consumer lifestyles evolve, the global plastic furniture market is poised for continued growth, innovation, and transformation, with Asia-Pacific and emerging markets at the forefront of this dynamic landscape.

Indian Plastic Furniture Market Overview

The Indian plastic furniture market is undergoing a period of notable growth and transformation, driven by shifting consumer preferences, rapid urbanization, and a pronounced emphasis on sustainability. The growth trajectory of the plastic furniture market in India is largely attributed to the rising demand for lightweight, durable, and cost-effective furniture solutions that cater to both residential and commercial segments. The proliferation of compact and integrated living spaces, especially in urban India, has accelerated the need for space-efficient and multifunctional furniture, making plastic furniture an appealing choice for modern Indian households and offices.



Sources: Imacr Group, Mordor Intelligence, GMI, GII

Plastic furniture in India is predominantly manufactured using thermoplastic polymers such as polyethylene (PE), polypropylene (PP), polystyrene (PS), polyvinyl chloride (PVC), and acrylonitrile butadiene styrene (ABS). These materials offer significant advantages, including high strength, durability, resistance to corrosion and temperature fluctuations, and ease of maintenance. As a result, plastic furniture finds extensive application in diverse settings — from homes and offices to schools, hospitality venues, and public spaces — serving both functional and aesthetic purposes. The market’s adaptability is further enhanced by the availability of a wide range of designs, colors, and styles, allowing consumers to choose products that align with their décor preferences and practical needs.

A key trend shaping the Indian plastic furniture market is the growing awareness and adoption of sustainable practices. Environmental consciousness among Indian consumers is on the rise, prompting manufacturers to innovate with recycled, reused and eco-friendly plastic furniture options. This shift is not only helping to divert plastic waste from landfills and reduce ocean pollution but also promoting a circular economy, where materials are continuously reused and repurposed. Brands are increasingly launching product lines made from recycled plastics, targeting both institutional buyers (such as schools and public parks) and environmentally conscious households. The sustainability movement is further reinforced by government initiatives and stricter regulations on plastic waste management, encouraging industry players to embrace greener production processes.

The expansion of the Indian real estate and hospitality sectors is another significant growth driver, as new residential, commercial, and hospitality projects generate substantial

demand for affordable and stylish furniture solutions. The rise in disposable incomes, particularly among the burgeoning middle class, has also contributed to higher spending on home décor and furnishings, with consumers seeking both premium and budget-friendly options. The rapid growth of e-commerce platforms has revolutionized the distribution landscape, providing consumers with convenient access to a vast array of plastic furniture products and enabling manufacturers to reach a broader customer base.

Despite these structural tailwinds, the market faces a few immediate challenges. Fierce competition among numerous suppliers and manufacturers has led to market saturation in some regions, putting pressure on prices and profit margins. Additionally, while plastic furniture is celebrated for its affordability and versatility, it still contends with perceptions of being less sophisticated or durable compared to wood or metal alternatives. Susceptibility to wear and tear, especially in high-traffic or outdoor settings, remains a concern, as does the need for continuous innovation to meet evolving consumer expectations for design and quality.

In summary, the Indian plastic furniture market is poised for sustained expansion, driven by urbanization, changing lifestyles, and a growing commitment to sustainability. The sector’s future will hinge on the ability of manufacturers to innovate with eco-friendly materials, respond to consumer demand for functional and stylish products, and navigate the challenges of intense competition and evolving market dynamics. As India’s economy and population continue to grow, plastic furniture is set to play an increasingly prominent role in shaping the country’s residential and commercial environments.

GROWTH DRIVERS

Affordability and Durability

Design Versatility and Innovation

Urbanization and Compact Living

Growth of Real Estate and Hospitality Sectors

Shift to Online Retail & D2C Channels

Sustainability & Recycling Offerings

LIMITING FACTORS

Environmental Concerns

Perception of Inferior Quality

Market Saturation and Competition

Regulatory and Sustainability Pressures

Threat of Substitutes and Imitation

Sources: Imacr Group, Econscious, Mordor Intelligence

MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)



COMPANY OVERVIEW

Established in 1992 and headquartered in Udaipur, Rajasthan, PIL Italica Lifestyle Limited has emerged as a leading name in the Indian lifestyle furniture sector, renowned for its innovative, functional, and luxury furniture offerings. The Company initially carved its niche in the molded plastic furniture market and has recently diversified its portfolio to include wooden furniture, reflecting its commitment to evolving consumer preferences and market trends.

PIL Italica operates two major manufacturing units: its flagship facility in Udaipur and another plant in Silvassa, acquired through a strategic inorganic growth transaction. This acquisition not only expanded the Company's manufacturing capacities but also strategically positioned PIL Italica to strengthen its presence in the southern and western regions of India. The Silvassa unit, with its advantageous logistics and proximity to key markets, enables the Company to streamline operations and leverage seamless transportation networks, enhancing delivery efficiency nationwide.

The Company boasts a robust operational manufacturing capacity of 8,450 MTPA across its 2 operational units. In line with its growth strategy, PIL Italica is further investing in additional injection molding machines equipped with the latest technology, as well as new molds and dyes for its Silvassa plant. This initiative is expected to increase the Company's manufacturing capacity by 1,600 MTPA, reaching a cumulative capacity of 10,050 MTPA in a phased manner by March 2026. The expanded capacity will enable the production of value-added products such as advanced furniture, crates, and waste bins, further diversifying the Company's product mix.

With corporate offices in Mumbai and operational offices in Delhi, PIL Italica has established a strong pan-India presence, supported by a robust distribution network that includes over 10 fulfillment centers and an expansive network of dealers and distributors. The Company's focus on e-commerce, digital marketing, and consumer-centric strategies has enabled it to reach a wider audience and adapt to changing retail dynamics.

PIL Italica's product portfolio is extensive, encompassing plastic chairs, tables, stools, trolleys, sun loungers, crates, storage bins, waste bins, and, more recently, wooden furniture. The Company is recognized for its commitment to innovation and advanced manufacturing techniques, as evidenced by its launch of industry-first products like the Spine Chair and the fully ventilated Oxy series chairs. With over 150 proprietary molds, PIL Italica continually introduces new designs and value-added products to meet evolving customer demands.

Quality is a cornerstone of PIL Italica's operations. The Company is ISO 9001:2015 accredited and is distinguished as the only Indian Company with CE certified plastic furniture products, underscoring its adherence to international standards. PIL Italica's philosophy extends beyond commercial objectives; it is deeply invested in understanding and fulfilling customer needs, focusing on creating furniture that is not only functional but also comfortable and aesthetically pleasing. This customer-centric approach is reflected in its continuous product innovation and dedication to delivering outstanding value.

PIL Italica's strategic expansion, technological upgrades, and product diversification position it as a dynamic player in the Indian furniture industry. The Company's vision is to blend quality, innovation, and customer satisfaction, ensuring sustained growth and relevance in a competitive market. Its ongoing investments in capacity, technology, and distribution are aimed at reinforcing its market leadership and expanding its footprint pan-India.

In summary, PIL Italica Lifestyle Limited stands out as a pioneer in the Indian furniture landscape, leveraging decades of expertise, a robust manufacturing base, and a strong commitment to quality and innovation to deliver value-added products that cater to the evolving needs of consumers across the country.

FY25 PERFORMANCE DISCUSSION

Financial Overview

(₹ in Lakhs)			
Particulars	FY25	FY24	YOY Growth (%)
Total Income	10,083.18	9,725.19	3.68
EBITDA	1,004.77	812.40	23.68
EBITDA (%)	9.96%	8.35%	161 bps
Profit Before Tax (PBT)	700.92	619.79	13.09
Profit After Tax (PAT)	524.26	461.95	13.49
PAT (%)	5.20%	4.75%	45 bps

Financial Ratios

Particulars	Numerator	Denominator	March 31, 2025	March 31, 2024	Variance	Remarks
Current Ratio	Current assets	Current liabilities	3.51	3.11	12.86%	
Debt - Equity Ratio	Total Debt	Shareholder's Equity	0.22	0.31	-29.03%	Decrease in Debts
Debt Service Coverage Ratio	EBITDA	Interest plus principal	5.56	6.41	-13.26%	
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	6.86%	6.43%	6.69%	
Inventory Turnover Ratio	Sale of products	Average Inventory	5.68%	5.49%	3.46%	
Trade Receivables Turnover Ratio	Revenue	Average Trade Receivable	16.11	15.16	6.27%	
Trade Payables Turnover Ratio	Net Credit Purchases	Average Trade Payables	35.84	21.29	68.34%	Decrease in Trade Payables
Net Capital Turnover Ratio	Net Sales	Working Capital	2.72	2.20	23.64%	
Net Profit Ratio	Net Profits after taxes	Net Sales	5.38%	4.89%	10.02%	
Return on Capital Employed (ROCE)	EBITDA	Capital Employed	12.12%	10.57%	14.66%	
Return on Investment (ROI) Unquoted	Income generated from investments	Time weighted average investments	No income generated from investment.			

MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

Outlook

PIL Italica is poised for robust growth as it continues to strengthen its pan-India presence by tapping into new markets and enhancing its distribution network through the addition of dealers, distributors, and strategic fulfillment centers. The Company's aggressive on-ground demand generation activities are further fueling this expansion.

In line with its growth strategy, PIL Italica is expanding capacity at its Umerkui unit by installing a state-of-the-art injection moulding line, enabling the production of a wider range of product variants and designs. On the brand building front, the Company has rolled out a comprehensive marketing strategy, significantly increasing investments in newspaper and outdoor advertisements, regional campaigns, product demonstrations, digital marketing, and high-visibility promotions such as advertising during the IPL on Jio Cinema. These initiatives are expected to substantially boost Italica's brand awareness and market reach across the country.

Sustainability also remains integral to the company's outlook, with all manufacturing waste being reused to minimize its carbon footprint. Additionally, ongoing investments in digital tools and marketing strategies are set to enhance brand visibility and operational efficiency. With these concerted efforts, PIL Italica is confident of achieving 15% topline growth and at least a 150 basis point improvement in EBITDA margins in the coming year. The Company's unwavering commitment to innovation, operational excellence, and sustainability will continue to drive its success in the years ahead.

Internal Controls and their Adequacy

The Company has established a comprehensive system of internal controls designed to safeguard its assets against unauthorized use or disposal. This framework ensures that all transactions are properly authorized, accurately recorded, and transparently reported. In addition, the Company has implemented effective mechanisms to optimize resource utilization, enhance operational efficiency, monitor day-to-day activities, and ensure strict compliance with applicable laws

and regulations. The adequacy and effectiveness of these internal control systems have been independently verified and affirmed by the auditors.

Human Resource Development and Industrial Relations

PIL Italica Lifestyle Limited places significant emphasis on its human resources, recognizing its workforce as one of the Company's most vital assets and a cornerstone for sustainable growth and innovation. The Company's approach to human capital management is rooted in the belief that investing in people directly translates to organizational success and long-term value creation. Accordingly, PIL Italica actively engages with its employees through a range of initiatives aimed at enhancing their skills, knowledge, and overall professional development. These initiatives include regular training programs, workshops, and opportunities for upskilling, ensuring that employees remain abreast of industry trends and best practices, while also fostering a culture of continuous learning and adaptability.

Attracting and retaining top talent is a strategic priority for PIL Italica Lifestyle. The Company is deeply committed to building a strong employer brand underpinned by its reputation for ethical business practices. This commitment is reflected in its efforts to create a supportive and inclusive work environment where employees feel valued, motivated, and empowered to contribute to the Company's vision. PIL Italica's brand reputation as a reliable and forward-thinking organization not only helps draw skilled professionals from across the industry but also encourages long-term retention by offering meaningful career growth opportunities and a sense of belonging.

Throughout the reviewed period, employee relations at PIL Italica Lifestyle remained positive and highly cooperative across all organizational levels. The Company's leadership has consistently prioritized open communication, mutual respect, and transparency, which have been instrumental in maintaining harmonious industrial relations and a collaborative workplace culture. As of March 31, 2025, PIL Italica Lifestyle Limited employed a total of 227 individuals across all its locations.



Risks, Concerns and Risk Mitigation

The Company operates in a dynamic environment and is exposed to a range of risks that can impact its business operations and financial performance. To address these challenges, the Company has implemented risk management strategies aimed at minimizing potential adverse effects:



Safety Risk

The Company's manufacturing facilities are required to adhere to rigorous safety standards and regulations. Any lapse in compliance with these safety protocols could disrupt business continuity and negatively affect the Company's reputation. The Company remains committed to maintaining a safe working environment through regular audits, employee training, and continuous improvement of safety measures.



Commodity Fluctuation Risk

The Company's performance is closely linked to the plastic & polymers industry, making it sensitive to changes in demand and supply dynamics both in domestic and international markets. Variations in raw material prices or shifts in market demand can influence profitability. The Company manages this risk through strategic sourcing, inventory management, and by closely tracking market trends.



Supply Chain Risk

The Company's supply chain is susceptible to various disruptions, including physical and environmental damages, trade restrictions stemming from geopolitical tensions, and interruptions in the availability of critical supplies. To mitigate these risks, the Company continuously evaluates and strengthens its supply chain resilience, diversifies sourcing, and maintains contingency plans.



Regulatory Risk

The Company's operations are governed by a complex framework of laws and regulations, covering areas such as environmental protection, climate change, trade, competition, and taxation. Non-compliance with these regulations could result in operational disruptions, financial penalties, and reputational damage. Additionally, frequent changes in regulatory requirements increase the complexity of compliance. The Company remains vigilant in monitoring regulatory developments and invests in robust compliance systems to ensure adherence to all applicable laws.



Credit Risk

Fluctuations in financial markets and changes in interest rates can impact the Company's ability to service its debt obligations. Furthermore, as the Company increases its focus on export markets, it may face heightened exposure to currency and foreign exchange risks. The Company actively monitors its credit exposure and employs prudent financial management practices to safeguard its financial stability.

Cautionary Statement

This section of the Annual Report has been included in adherence to the spirit enunciated in the Code of Corporate Governance approved by the Securities and Exchange Board of India. Shareholders and Readers are cautioned that in the case of data and information external to the Company, though the same are based on sources believed to be reliable, no representation is made on its accuracy or comprehensiveness. Further, utmost care has been taken to ensure that the opinion expressed therein contain its perceptions on most of the important trends having a material impact on the Company's operations.

The opinions expressed by the management may contain certain forward-looking statements in the current scenario, which is extremely dynamic and increasingly fraught with risk and uncertainties. The Company undertakes no obligation to publicly update or revise any of the opinions or forward-looking statements expressed in this report, consequent to new information, future events, or otherwise. Estimation and expectation made in the Report may differ from actual performance due to various Economic conditions, Government Policies and other related factors.

Directors' Report

To The Members of PIL ITALICA LIFESTYLE LIMITED

The Directors of your Company have pleasure in presenting the Thirty Third (33rd) Annual Report together with the Audited accounts of the Company for the year ended March 31, 2025.

1. FINANCIAL HIGHLIGHTS

Your Company's performance during the year as compared to the previous year is summarized below:

₹ in Lakhs

Particulars	2024-25	2023-24
Revenue from Operations	10083.18	9725.19
Profit before Taxation	700.92	619.79
Less: Tax Expenses	176.66	157.84
Profit after Tax	524.26	461.95
Add: other Comprehensive Income	-	-
Add: Balance brought forward from Previous year	1007.07	545.12
Balance Profit/(Loss) carry forward to the next year	1531.33	1007.07

2. STATE OF COMPANY'S AFFAIRS

The Company is engaged in the manufacturing of plastic moulded furniture, material handling products and waste management products. During the year, the Company earned total income of ₹10,083.18 Lakhs as against ₹9,725.19 Lakhs in corresponding previous year and earned a net profit after tax of ₹524.26 Lakhs. The Company is continuously launching new and innovative products and revenue from operation increased by 3.68% during this year.

The company has added 1428 new dealer and 30 New Distributors are in the Financial Year 2024-25. The Company has its geographical presence in 21 States including 1 Union Territory in India.

The Company has made a strategic decision to enhance the production capabilities by acquiring additional injection moulding machines equipped with the latest technology, as well as new moulds and dyes. This initiative aims to produce value-added products such as furniture, crates, and waste bins. The expansion will be executed in two phases, with completion targeted by March, 2026.

During the financial year 2024-2025, the Company introduced several innovative products, significantly enhancing our product portfolio across various categories. In the furniture segment, we launched the Wedding Series Chair (Model No. 2101 and 2151). Additionally, we introduced Multi purpose Kids Chair (Models No. 5238) an armless chair (Model No. 5232), and a kids' multipurpose table (Model No. 5230 & 5232) and a centre table (Model No. 9525) for indoor and outdoor use. And for domestic and commercial use Dining Table (Model No. 9516) and in Stool and Patla Section, we introduced Model No. 9702 and 9717 respectively.

3. DIVIDEND

Keeping in view the requirement of funds for future expansions, your directors do not recommend any dividend for the year ended on March 31, 2025.

4. SHARE CAPITAL

The Paid-up Equity Share Capital of the Company as on March 31, 2025 stood at ₹2,350.00 Lakhs comprising of 23,50,00,000 shares of ₹1/- each. The Company has not issued any further shares during the year.

5. LISTING OF SHARES

The Equity Shares of the Company are listed on National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 and BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.

The Annual Listing Fees for the financial year 2025-26 have been paid.

6. CHANGES IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the Company.

7. MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statement relates and the date of report.

8. EXPORTS

There was no Export during FY 2024-25.

9. TRANSFER TO RESERVES

No amount is proposed to be transferred to the Reserves for the financial year 2024-25.

10. DEPOSITS

The Company has not accepted any deposit falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review.

11. PARTICULARS OF LOANS, GUARANTEE AND INVESTMENTS UNDER SECTION 186

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the financial statements provided in this Annual Report.

12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company has not entered into any contract or arrangement with any person including persons covered under sub-section (1) of Section 188 of the Companies Act, 2013. The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the Company's website: www.italica.com.

13. ANNUAL RETURN

The annual return of the Company is placed on the website of the Company www.italica.com and can be accessed from the following weblink: <https://italica.com/pages/extract-of-annual-return>

14. NUMBER OF MEETINGS OF THE BOARD

During the financial year 2024-2025, the Board met Four (04) times held on 09.05.2024, 25.07.2024, 25.10.2024 and 23.01.2025.

15. COMMITTEE OF BOARD OF DIRECTORS

As on March 31, 2025, the Board has 4 Committees namely the Audit Committee, the Nomination and Remuneration Committee and Stakeholders Relationship Committee, Risk Management Committee. A detailed note on the Composition of the Board and its Committees and other relevant details is provided in the report on Corporate Governance annexed to this report.

16. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE

As on March 31, 2025, the Company does not have any subsidiary, joint venture or associate.

17. RISK MANAGEMENT

The Company believes that managing risks helps in maximizing returns. A risk management Policy have

been developed and implemented by the Company for identification of elements of risk if any, which in opinion of board may threaten the existence of the Company. It aims to identify commodity prices, Price fluctuation of raw material and finished goods, Credit Risks, inflation, Strategic Risks, etc. Board of Directors of the Company periodically reviews the effectiveness of risk management framework and system. However, in the opinion of Board, none of the above-mentioned risks threatens the existence of the Company.

18. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL WHO HAVE APPOINTED OR HAVE RESIGNED

a) Directors

Pursuant to the provisions of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Mukesh Kumar Kothari, Non-Executive Non Independent Director (DIN: 03103336), retires by rotation at the 33rd Annual General Meeting, and being eligible, offers himself for re-appointment. And Shareholders approved the appointment of Ms. Sonal Mantri (DIN: 10616908) as Non-executive Independent Director w.e.f. 09.05.2024 for a period of five years in the 32nd Annual General Meeting of the Company held on 27.06.2024.

b) Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Act, following were the Key Managerial Personnel of the Company as on March 31, 2025:

Mr. Daud Ali:

Managing Director

Mr. Narendra Bhanawat:

Whole Time Director and Chief Financial Officer

Mr. Rajat Raja Kothari:

Company Secretary and Compliance Officer

19. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013, the directors to the best of their knowledge and belief confirm that:

- In the preparation of the annual accounts, the applicable Indian accounting standards had been followed along with proper explanation relating to the material departures;
- the directors had selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- the directors had taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of this Act for

safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had laid down Internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. INDEPENDENT DIRECTORS AND THEIR MEETING

All the Independent Directors of the Company have given their declarations to the Company under Section 149(7) of the Act that they meet the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'). In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Listing Regulations and are independent of the management.

During the year under review a separate meeting of the Independent Directors of the Company was held on March 05, 2025, without the presence of other Directors and members of Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, performance of Chairperson of the Company and assessed the quality, quantity and timelines of flow of information between the Company management and the Board.

21. STATUTORY AUDITORS

M/s. H.R.Jain & Co., Chartered Accountants, Udaipur (ICAI FRN: 000262C), were appointed as Statutory Auditors of the Company at the 30th Annual General Meeting held on June 30, 2022 to hold office till the conclusion of the 35th Annual General Meeting held in the year 2027-28. M/s. H.R. Jain & Co. has confirmed that they are not disqualified from continuing as Auditors of the Company.

The Statutory Auditors have issued an unmodified opinion on the financial statements for the financial year ended March 31, 2025. The observations made in the Auditors' Report read together with relevant notes thereon are self-explanatory and hence do not call for any further explanations or comments by the Board under Section 134 of the Act.

22. QUALIFICATION IN THE AUDITORS' REPORT - BOARD'S COMMENTS OR EXPLANATION

The Auditors' Report does not contain any qualification, reservation or adverse remark or disclaimer.

23. SECRETERIAL AUDITORS AND THEIR REPORT

The secretarial audit report given by M/s P. Talesara & Associates, Practicing Company Secretary under the provisions of Section 204 of the Companies Act, 2013 for the Financial Year 2024-25 does not contain any qualification, reservation or adverse remark. The secretarial audit report is provided as **Annexure A** forming part of this report.

24. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Management Discussion and Analysis Report is presented as a separate Section as **Annexure B** forming part of annual report.

25. COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules, 2014, appointment of cost auditor is not applicable to the Company. Hence, maintenance of cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 is not required.

26. CEO/CFO CERTIFICATE

Chief Executive Officer and Chief Financial Officer compliance certificate as stipulated under Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) is annexed as **Annexure 3** in this report.

27. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed pursuant to Section 134 of the Companies Act, 2013 are as follows:

A. Conservation of Energy

Your Company is continuously engaged in the process of energy conservation and is continuously putting its efforts to improve energy management by way of monitoring energy related parameters on regular basis.

To achieve the above objective, the following steps are taken to cut down the consumption of energy:

- Installation of Energy Efficient Equipment/Device.
- Creating awareness of energy saving within the organization to avoid wastage of energy.
- R&D Activities and Adopting new Technology.

B. Technology Absorption

- (i) Efforts made towards technology absorption:
- Continuously monitoring the production patterns and inclusion of new tested technology products.
 - Constantly striving towards developing of new designs and products.
 - Investing in new technology of moulds and machinery.
- (ii) Benefits derived as a result of the above efforts:
- Increase in the production along with the improvement in quality.
 - New and Innovative designed products.
 - New designed products are also catching attention of the export market.
- (iii) The Company has not imported any technology during the year under review and also the expenditure incurred on Research and Development activity is insignificant.

C. Foreign Exchange Earnings and Outgo

Particulars	Amount (₹ in Lakhs)
Earnings	NIL
Outgo	205.39

28. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has first time qualified under the provisions of Section 135 of the Companies Act. Though the total amount to be spend for CSR is less than ₹50 Lakhs therefore the liability to form CSR Committee does not arise. The Board formed its CSR Policy and accordingly amount has been spent through various CSR activities. The Company is committed to operate and grow its business in a socially responsible way, while reducing the environmental impact of its operations and increasing its positive social impact. It aims to achieve growth in a responsible way by encouraging people to take small everyday actions that will make a big difference. The CSR Policy of the Company is available on the website of the Company at www.italica.com. The salient features of the CSR Policy forms a part of the Annual Report on CSR activities, in terms of Rules 8 of the Companies (Corporate Social Responsibility Policy) Rules 2014), which contains details of CSR initiative taken by the Company during the year as annexed vide **Annexure E** attached to the this Report.

As part of its initiatives under "corporate social responsibility" (CSR), the Company has contributed funds for the schemes of promotion of education. The contributions in this regard have been made to the registered trust, which is undertaking these schemes.

29. NOMINATION AND REMUNERATION POLICY

The Company has in place the Nomination and Remuneration Committee. The Company has formulated the Nomination and Remuneration Policy on Directors, Key Managerial personnel and Senior Management Personnel, their appointment and remuneration including the criteria for determining qualifications, positive attributes and independence of director. The Remuneration Policy is placed on the website of the Company www.italica.com under Investor Relation Section and is also annexed as **Annexure C**.

30. CORPORATE GOVERNANCE REPORT

The report on Corporate Governance as stipulated under Regulation 34(3) read with Para C of Schedule V of the Listing Regulations is annexed as **Annexure D**.

31. ANNUAL PERFORMANCE EVALUATION

During the year under review, pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out an Annual Performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various Committees. A separate meeting was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board at its meeting following the meeting of Independent Director.

32. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

All Independent Directors are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. from time to time. The Company makes consistent efforts to acquaint the Board with the overall business performance covering all Business verticals, by way of presenting specific performance of each Plant (based on predefined factory rating parameters), Product Category and Corporate Function from time to time. Details of familiarization programme to Company's independent directors can be accessed at the Company's website www.italica.com under policy head.

33. ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER POLICY

The code of conduct and Vigil Mechanism applicable to directors and senior management of the Company is available on the Company's website at www.italica.com.

34. DISCLOSURE ON THE REMUNERATION OF MANAGERIAL PERSONNEL

None of the employees was in receipt of remuneration excess of the limits prescribed under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

1.	The ratio of remuneration of each director to the median remuneration of the employees of the Company for the FY 2024-25	Mr. Daud Ali	11.46:1	
		Mr. Narendra Bhanawat	2.19:1	
2.	The percentage increase in remuneration of each Director, CFO, CEO, CS or manager if FY 2024-25	Name	Designation	Increase in Remuneration in the Financial Year 2024-25 (%)
		Mr. Daud Ali	Managing Director	No increase in FY 2024-25
		Mr. Narendra Bhanawat	Whole Time Director and Chief Financial Officer	Increase by 15.15 %
		Mr. Rajat Raja Kothari	Company Secretary and Compliance Officer	Increase by 16.32 %
3.	The percentage increase in the median remuneration of employees in the financial year 2024-25	The percentage increase in the median remuneration of the employees in the financial year 24-25 is 16.72%		
4.	The number of permanent employees on the rolls of the Company as on March 31, 2025	227 employees as at March 31, 2025		
5.	Average percentile increases already made in the salaries of employees other than managing personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average percentile increase in the salaries is around 16.72% in case of employees and percentile increase in managerial remuneration in case of Narendra Bhanawat, Whole Time Director is 15.15% and in case of Daud Ali, Managing Director, no increase in 24-25.		
6.	Affirmation that the remuneration is as per the remuneration policy of the Company	It is affirmed that the remuneration paid is as per the remuneration policy of the Company		

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

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

36. DEPOSITORY SYSTEM

The Company has already entered into agreements with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

37. INTERNAL FINANCIAL CONTROL

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the

Company. Based on the report of internal audit function, the Company undertakes corrective action in their respective areas and thereby strengthen the controls.

Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

38. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS

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

39. FRAUDS AGAINST THE COMPANY

No fraud has been reported by the Statutory Auditors during the Financial Year 2024-2025 pursuant to the provisions of Section 143(12) of the Act.

40. APPLICATION MADE OR PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016)

Neither any application made or nor any proceeding is pending under Insolvency and Bankruptcy Code, 2016.

41. DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS

During the year the Company has not entered into any One Time Settlement with banks or financial institutions.

42. GENERAL

Your Directors state that no disclosure on reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a) Issue of Equity Shares with differential voting rights as to dividend, voting or otherwise.

- b) Business Responsibility Statement.
- c) Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- d) No significant and material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

43. ACKNOWLEDGEMENT

Your Directors place on record their appreciation for assistance and co-operation received from various Ministries and Department of Government of India and other State Governments, financial institutions, banks, shareholders of the Company etc.

The management would also like to express great appreciation for the commitment and contribution of its employees for their committed services. Your Directors wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that the Company continues to grow and excel

For and on behalf of the Board of Directors

Place: Udaipur
Date: May 12, 2025

Sd/-
Daud Ali
Managing Director
DIN: 00185336

Sd/-
Narendra Bhanawat
Whole Time Director & CFO
DIN: 00146824

Annexure 1 to Boards' Report

DIVIDEND DISTRIBUTION POLICY OF PIL ITALICA LIFESTYLE LIMITED

1. Introduction

This Dividend Distribution Policy is made pursuant to the applicable provisions of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as the 'SEBI Regulations'). The Board of Directors of PIL ITALICA LIFESTYLE LIMITED (the "Company"), herein after referred as "the Board", has approved the Dividend Distribution Policy of the Company ("the Policy") and shall disclose the same on a voluntary basis in the annual reports and on the website of the Company. This Policy sets out the general parameters adopted by the Company for declaration of dividend for guidance purposes.

2. Objective

The objective of this Policy is to ensure the right balance between the quantum of Dividend paid and amount of profits retained in the business for various purposes. This Policy lays down parameters to be considered by the Board of Directors of the Company for declaration of Dividend from time to time.

3. Philosophy

The philosophy of the Company is to maximise the shareholders' wealth in the Company through various means. The Company believes that driving growth creates maximum shareholder value. Thus, the Company would first utilise its profits for working capital requirements, capital expenditure to meet expansion needs, reducing debt from its books of accounts, earmarking reserves for inorganic growth opportunities and thereafter distribute the surplus profits in the form of dividend to the shareholders.

4. Regulatory Framework

The Securities Exchange Board of India ("SEBI") on July 08, 2016 inserted Regulation 43A in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires top five hundred listed companies (based on market capitalization of every financial year) to formulate and disclose a Dividend Distribution Policy.

Further, vide SEBI in its notification dated May 05, 2021 in SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2015, the requirement for formulation of dividend distribution policy by the existing top 500 listed entities has been extended to the top 1,000 listed entities on the basis of market capitalization.

PIL Italica Lifestyle Limited, though not covered under the top thousand listed companies as per the market capitalization as on the last day of the immediately preceding financial year voluntarily frames this policy to comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2015.

5. Definitions

- 5.1 "Act" shall mean the Companies Act, 2013 including the Rules made thereunder, as amended from time to time.
- 5.2 "Applicable Laws" shall mean the Companies Act, 2013 and Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time and such other act, rules or regulations which provides for the distribution of Dividend.
- 5.3 "Company or PILL" shall mean PIL Italica Lifestyle Limited.
- 5.4 "Chairman" shall mean the Chairman of the Board of Directors of the Company.
- 5.5 "Compliance Officer" shall mean the Compliance Officer of the Company appointed by the Board of Directors pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 5.6 "Board" or "Board of Directors" shall mean Board of Directors of the Company.
- 5.7 "Dividend" shall mean Dividend as defined under Companies Act, 2013.
- 5.8 "Policy or this Policy" shall mean the Dividend Distribution Policy.

6. Parameters for Declaration of Dividend

The Board of Directors of the Company shall consider the following external parameters while declaring dividend or recommending dividend to shareholders:

Financial Parameters/Internal Factors	External Factors:
<ul style="list-style-type: none"> Consolidated net operating profit after tax Working capital requirements Capital expenditure requirements Resources required to fund acquisitions and/or new businesses Cash flow required to meet contingencies 	<ul style="list-style-type: none"> Prevailing legal requirements Macroeconomic conditions

6. Parameters for Declaration of Dividend (Contd.)

Financial Parameters/Internal Factors	External Factors:
<ul style="list-style-type: none"> Outstanding borrowings Past Dividend Trends Surplus funds available with the Company The Company's liquidity position and future cash flow requirements Any other relevant factors that the Board may deem fit to consider before declaring Dividend. 	<ul style="list-style-type: none"> Regulatory conditions or restrictions laid down under the Applicable Laws including tax laws Dividend pay-out ratios of companies in the same industry.

7. Circumstances under which the shareholders may or may not expect Dividend

The shareholders of the Company may not expect Dividend under the following circumstances:

- Whenever it undertakes or proposes to undertake a significant expansion project requiring higher allocation of capital;
- Significantly higher working capital requirements adversely impacting free cash flow;
- Whenever it undertakes any acquisitions or joint ventures requiring significant allocation of capital;
- Whenever it proposes to utilise surplus cash for buy-back of securities; or
- In the event of inadequacy of profits or whenever the Company has incurred losses.

Utilization of Retained Earnings

The retained earnings of the Company may be used in any of the following ways:

- Capital expenditure for working capital;
- Organic and/or inorganic growth;
- Investment in new business(es) and/or additional investment in existing business(es);
- Declaration of dividend;
- Capitalisation of shares;
- Buy back of shares;
- General corporate purposes, including contingencies;
- Correcting the capital structure;
- Any other permitted usage as per the Companies Act, 2013.

Parameters adopted with regard to various classes of shares

The Company currently has no other class of shares. Therefore, dividend declared will be distributed amongst all shareholders, based on their shareholding on the record date. Dividends will generally be recommended by the Board once a year, after the announcement of the full year results and before the Annual General Meeting (AGM) of the shareholders, as may be permitted by the Companies Act. The Board may also declare interim dividends as

may be permitted by the Companies Act. As and when the Company issues other kind of shares, the Board of Directors may suitably amend this Policy.

8. Procedure

- The Company Secretary in consultation with the Chairman of the Company shall recommend any amount to be declared/recommended as Dividend to the Board of Directors of the Company.
- The agenda of the Board of Directors where Dividend declaration or recommendation is proposed shall contain the rationale of the proposal.
- Pursuant to the provisions of applicable laws and this Policy, interim Dividend approved by the Board of Directors will be confirmed by the shareholders and final Dividend, if any, recommended by the Board of Directors, will be subject to the shareholders' approval, at the ensuing Annual General Meeting of the Company.
- The Company shall ensure compliance of provisions of Applicable Laws and this Policy in relation to Dividend declared by the Company.

9. Disclosure

The Company shall make appropriate disclosures as required under the SEBI Regulations and per Secretarial Standards issued by ICSI.

This policy is available on the Company's website at www.italica.com under Investor Relations Section and also be disclosed in the Company's annual report.

10. Policy Review

This Policy would be subject to revision/amendment in accordance with the guidelines as may be issued by Ministry of Corporate Affairs, Securities Exchange Board of India or such other regulatory authority as may be authorized, from time to time, on the subject matter. The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

Annexure A

FORM NO. MR-3

Secretarial Audit Report

For the financial year ended 31.03.2025

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

To,
The Members,
PIL ITALICA LIFESTYLE LIMITED
CIN: L25207RJ1992PLC006576
Regd. Office: Kodyat Road, Village Sisarma,
Udaipur, Rajasthan - 313001.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PIL ITALICA LIFESTYLE LIMITED** (name of the Company) (herein after called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **PIL ITALICA LIFESTYLE LIMITED** (name of the Company's) books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives made available to us through electronic mode, during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made herein after:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **PIL ITALICA LIFESTYLE LIMITED** ("the Company") for the financial year ended on 31.03.2025 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under for specified Sections and Rules notified and came into effect from respective dates and a list of documents verified is as per **Annexure A**;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the

extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, ('SEBI Act') 1992:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2022;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 (Amendment) Regulations, 2022;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the audit period)**;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, now known as SEBI (Share based Employees Benefits) Regulations, 2014 **(Not applicable to the Company during the audit period)**;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the audit period)**;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company during the audit period)**;
 - (h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018 **(Not applicable to the Company during the audit period)**; and
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirement) Regulations, 2015.

(vi) Other Laws as applicable to the Company as certified by the Management:

1. Employee's Provident Funds & Miscellaneous Provisions Act, 1952
2. Employee's State Insurance Act, 1948
3. The Payment of Bonus Act, 1965
4. Payment of Gratuity Act, 1972
5. The Contract Labour (Regulation and Abolition) Act, 1970
6. Negotiable Instruments Act, 1881
7. The Central Goods and Services Tax Act, 2017
8. The Income Tax Act, 1961
9. Indian Stamp Act, 1899
10. The Water (Prevention & Control of Pollution) Act, 1974
11. The Air (Prevention & Control of Pollution) Act, 1981
12. The Contract Act 1872
13. Arbitration and Conciliation Act, 1996
14. The Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013
15. The Payment of Wages Act, 1936
16. The Minimum Wages Act, 1948
17. Industrial Disputes Act, 1947
18. The Environment Protection Act, 1986

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE and NSE Stock Exchange(s).

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Ms. Sonal Mantri (DIN: 10616908) appointed as Additional Independent Director w.e.f 09.05.2024 was redesignated as Independent Director in the AGM held on 27.06.2024 for a period of 5 consecutive years to hold office upto 08.05.2029.

Mrs. Namrata Babel (DIN- 06910061) ceased to be the Independent Director of the Company from close of working hours of 28.05.2024 due to completion of second consecutive term.

Adequate notice has been given to all the directors to schedule the Board Meetings, Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for meaningful participation at the meeting. All Decisions at board meeting and Committee meetings have been carried out as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that

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

I have relied on the Representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other Acts, laws and Regulations applicable to the Company.

In case of return filing for PF, ESI, TDS and GST, I have relied on the Reports given by the Internal Auditors of the Company.

For **P. Talesara & Associates**
Company Secretaries

Sd/-
(Pawan Talesara)
Proprietor

FCS No.: 8096, C P No.: 2674
UDIN: F008096G000308539

Place: Udaipur
Date: 09.05.2025

ANNEXURE-A:**List of Documents verified under Co. Act 2013**

1. Memorandum and Articles of Association of the Company.
2. Annual Return for the Financial year ended 31.03.2024.
3. Minutes of the meetings of the Board of Directors, Audit Committee and Nomination and Remuneration Committee along with Attendance Register maintained during the financial year under Report.
4. Minutes of General Meetings held during the financial year under Report.
5. All statutory Registers.
6. Agenda papers sent for the Board Meetings and Committee Meetings.
7. Declaration received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013 and attachments thereto during the financial year under Report.
8. E-Forms filed by the Company, from time to time, under applicable provisions of the Companies Act, 2013 and attachments there to during the financial year under Report.

For **P. Talesara & Associates**
Company Secretaries

Sd/-
(Pawan Talesara)
Proprietor

FCS No.: 8096, C P No.: 2674
UDIN: F008096G000308539

Place: Udaipur
Date: 09.05.2025

This Report should be read with my letter of even date which is annexed as Appendices A and forms an Integral Part of this Report.

APPENDICES A

To,
The Members,
PIL ITALICA LIFESTYLE LIMITED

My Report of given date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practice I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of Laws, rules and regulation and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, rules, regulation and standards is the responsibility of management. My examination was Limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **P. Talesara & Associates**
Company Secretaries

Sd/-
(Pawan Talesara)

Proprietor

FCS No.: 8096, C P No.: 2674
UDIN: F008096G000308539

Place: Udaipur
Date: 09.05.2025

Annexure C

NOMINATION AND REMUNERATION POLICY

1. Purpose

The Nomination and Remuneration Policy is being formulated in compliance with Section 178 of Companies Act, 2013 read along with the applicable rules thereto and Listing Regulation, as Amended from time to time. This policy is based on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by Nomination and Remuneration Committee (NRC or the committee) and has been approved by Board of Directors.

2. Objective

- a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
- b. Relationship of remuneration to perform is clear and meets appropriate performance benchmarks; and
- c. Remunerations to directors and key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

3. Definitions

"Directors" means a director in the Company's board.

"Independent Director" means a director referred in sub Section (6) of Section 149 of Companies Act, 2013.

"Remuneration" means any money or its equivalent given or passed to person for services rendered by him and includes perquisites as defined under Income Tax Act, 1961.

"Key Managerial Personnel" or KMP means:

- a. Managing Director or Chief Executive Director or Manager and in their absence a Whole Time Director;
- b. Company Secretary;
- c. Chief Financial officer; and
- d. Such other officer as may be prescribed under the Companies Act, 2013.

"Senior Managerial Personnel" means the personnel of the Company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above including all Functional Heads.

4. Role of Committee

The role of NRC will be the following:

- a. To formulate the criteria for determining qualifications, positive attributes and independence of a Director.
- b. To formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors.
- c. To identify the persons who are qualified to become directors and who may be appointed in Senior Management in accordance with criteria laid down in this policy.
- d. To devise a policy on Board diversity, composition, size.
- e. Succession planning for replacing Key Executives and overseeing.
- f. To perform and carry out any such other functions as is mandated by the Board from time to time and/or enforced by any statutory notification or modification, as may be applicable.

5. Appointment and Removal of Director, Key Managerial Personnel and Senior Management Personnel

- a. The committee shall identify and ascertain the integrity, qualification, expertise of the person for appointment as Director, KMP or at Senior Management level and recommend his/her appointment, as per Company's policy.
- b. A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The committee has Authority to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the position.
- c. The Company shall not appoint or continue the employment of any person as Whole Time Director who has attained the age of seventy years Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing special resolution.

6. Term/Tenure

a. Managing Director/Whole Time Director:

The Company can appoint or re-appoint any person as its Managing Director, Whole Time Director for a Fixed term not exceeding five years at a time or without any Limitation as to the period he is to hold such office and from time to time remove or dismiss him from office and appoint another in his place (subject to the provisions of any contract between him and Company).

b. Independent Director:

An Independent Director shall hold office for a term up to 5 consecutive years on the Board of the Company, but shall be eligible for re-appointment on passing of Special Resolution by the Company and Disclosure of such Appointment in the Board's Report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the Expiry of three years of ceasing to become Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. A person shall not serve as an Independent Director in more than seven listed entities and any person who is serving as a Whole Time Director in any listed entity shall serve as an Independent Director is not more than three listed entities or such other number as may be prescribed under the Act.

7. Evaluation

The Committee shall carry out evaluation of performance of Directors, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

8. Removal

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

9. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after the retirement age, for the benefit of the Company.

10. Policy for the Remuneration to Directors/ Senior Management Personnel**1. Remuneration to Managing Director/Whole Time Directors:**

- a) The Remuneration/Commission etc. to be paid to Managing Directors, etc. shall be governed as per provisions of Companies Act, 2013 and rules made there under or any other enactment for the time being in force and approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director/ Whole Time Director.

2. Remuneration to Non-Executive/Independent Directors:

- a) The Non-Executive/Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The Amount of sitting fees shall be such as may be recommended by Nomination and Remuneration Committee and approved by Board of Directors.
- b) All the Remuneration of the Non-Executive/Independent Directors (excluding remuneration for attending meeting as prescribed as under Section 197(5) of Companies Act 2013) shall be subject to ceiling limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The Amount of remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholder as the case may be.
- c) An Independent Director shall not be eligible to get Stock options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non-Executive/Independent Directors for Services rendered which are of professional in nature shall not be considered as part of remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i. The services are rendered by such Director in his capacity as the professional; and
 - ii. In the opinion of the Committee, the director possesses the requisite for the practice of that professional.

3. Remuneration to Key Managerial Personnel and Senior Management Personnel:

- a) The Remuneration to KMP and Senior Management Personnel shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the companies policy.
- b) The fixed pay shall include monthly remuneration, employees contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.
- c) The incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decide annually or at such intervals as may be considered appropriate.

4. Implementation:

- The committee may issue guidelines, procedures, formats, reporting, mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The committee may delegate any of its powers to one or more of its member.

Annexure D

CORPORATE GOVERNANCE REPORT

In terms of Regulation 34(3) read with Section C of SCHEDULE V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance for the year ended March 31, 2025 is presented below:

1) COMPANY'S PHILOSOPHY

At **PIL ITALICA LIFESTYLE LIMITED** we are committed of doing business in an efficient, responsible, honest, and ethical manner. Our Corporate Governance is the reflection of our value system encompassing our culture, policies and relationships with our stakeholders.

Corporate Governance is all about commitment to values and ethical business conduct. Corporate Governance practices goes beyond compliance and involves a companywide commitment and has become the integral part of business to ensure fairness, transparency and integrity of the management. Our guiding principles and practices are summarized in Corporate Governance Report. Pursuant to provision of Companies Act 2013 and Regulation 34 of the Listing regulation, the report contains the details of Corporate Governance System and process at PIL ITALICA LIFESTYLE LIMITED. We believe in adopting the well accepted corporate Governance practices and benchmark the same and strive to improve them continuously.

2) BOARD OF DIRECTORS

a) Composition and category of Directors

As on March 31, 2025 the Board comprises of 6 members, out of which 3 are independent directors. Mr. Daud Ali is the Managing Director of the Company, who conducts the day to day management of the Company, under consistent support of Board of directors. The independent directors on the Board are also the specialist in their respective fields. There is a fixed Chairman on the Board.

Board Composition and category of directors during the Financial Year 2024-25:

Sr. No.	Name of Director	Promoter/ Non-Promoter	Category
1	Mr. Daud Ali	Promoter	Executive Director
2	Mr. Narendra Bhanawat	Non Promoter	Executive Director
3	Mr. Himanshu Surendrakumar Gupta	Non Promoter	Non Executive Independent Director
4	Mr. Mukesh Kumar Kothari	Non Promoter	Non-Executive
5	Mrs. Namrata Babel	Non Promoter	Non Executive Independent Director (ceased w.e.f. 28.05.2024)
6	Ms. Apeksha Agiwal	Non Promoter	Non Executive Independent Director
7	Ms. Sonal Mantri	Non Promoter	Non Executive Independent Director (appointed w.e.f. 09.05.2024)

b) Attendance of each Director at the Board Meeting and Annual General Meeting

Details of Directors and their attendance in meetings held in FY 2024-25 are referred below:

Sr. No.	Name of Director	Attendance at Board meeting		Whether last Annual General Meeting attended
		No. of meetings held	No. of meetings attended	
1	Mr. Daud Ali	4	4	Yes
2	Mr. Narendra Bhanawat	4	4	Yes
3	Mr. Mukesh Kumar Kothari	4	4	Yes
4	Ms. Sonal Mantri	4	3*	Yes
5	Mr. Himanshu Surendrakumar Gupta	4	4	Yes

b) Attendance of each Director at the Board Meeting and Annual General Meeting (Contd.)

Sr. No.	Name of Director	Attendance at Board meeting		Whether last Annual General Meeting attended
		No. of meetings held	No. of meetings attended	
6	Ms. Apeksha Agiwal	4	4	Yes
7	Mrs. Namrata Babel	4	1*	Not applicable

*** Note**

- Mrs. Namrata Babel tenure as Independent Director had expired on 28.05.2024.
- Ms. Sonal Mantri had been appointed as Director w.e.f. 09.05.2024 and the appointment has been approved by the Members of the Company in 32nd AGM of the Company conducted on 27.06.2024.

Number of other board of directors or committees in which a directors is a member or chairperson

Sr. No.	Name of Director	Directorships in Other Board of Directors	Memberships of Committees of Other Boards	Chairmanships of Committees of Other Boards	Names of the other listed entities where the person is a director and the category of directorship
1	Mr. Daud Ali	2	0	0	-
2	Mr. Narendra Bhanawat	0	0	0	-
3	Mr. Himanshu S Gupta	2	0	2	Excel Realty n Infra Limited, the category is Non Executive Independent Director
4	Mr. Mukesh Kumar Kothari	0	0	0	-
5	Ms. Sonal Mantri	0	0	0	-
6	Ms. Apeksha Agiwal	2	1	0	Aditya Vision Limited and Ducon Infratechnologies Limited, the category is Non Executive Independent Director

Notes:

- None of the directors holds shares in the Company except Mr. Daud Ali (316200 shares) and Mr. Narendra Bhanawat (400 shares) as on March 31, 2025 and Mr. Mukesh Kumar Kothari (3000 shares) as on March 31, 2025.
- Details of Director(s) retiring or being re-appointed are given in notice to Annual General Meeting.

c) Number of meetings of the board of directors held and dates on which held

During the financial year 2024-25, the Board met Four (04) times on May 09, 2024, July 25, 2024, October 25, 2024 and, January 23, 2025. The agenda of the business matters to be transacted at the Board Meeting along with detailed note(s) thereto are circulated to the Board members, as per the time limits specified under the applicable acts, rules and regulations.

d) Disclosure of relationships between directors inter-se

There are no inter se relationships between our Board Member.

e) Number of shares and convertible instruments held by non- executive directors

Except Mr. Mukesh Kumar Kothari (3000 shares), none of the Non-Executive Directors holds any share in the Company, during the FY 2024-25.

f) Web link where details of familiarization programmes imparted to independent directors is disclosed

All Independent Directors are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. from time to time. The Company makes consistent efforts to acquaint the Board with the overall business performance covering all Business verticals.

The details regarding Independent Directors' Familiarization Programmes are given under the 'Investor Relation' Section on the website of the Company and can be accessed at <https://italica.com/investor-relations>.

g) Chart/matrix setting out the skills/expertise/competence of the Board of Directors

The Board of the Company is highly structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise and special skills. The skills and attributes of the Company can be broadly categorized as follows:

- **Business Leadership & Strategic Planning:** Experience in driving business in global market and leading management teams to make decisions in uncertain environments based on practical understanding, appreciation and understanding of short-term and long-term trends, strategic choices and demonstrating strengths, developing talent, succession planning.
- **Accounts and Finance:** Knowledge in financial and legal matters, financial planning, capital allocation and maintaining cordial relationship with various bankers.
- **Compliance & Governance:** Experience in developing governance practices and observing the same, accountability and insight to the best interests of all stakeholders, driving corporate ethics and values.
- **Regulatory Expertise:** Understanding the legal regulations, for undertaking the best decision under the ambit of law, updation of such skills and monitoring of person performing such functions.

Core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s)	Names of Directors who have such skills/expertise/competence
Business Leadership and Strategic Planning	Mr. Daud Ali and Mr. Narendra Bhanawat
Accounts and Finance	Ms. Apeksha Agiwal and Ms. Sonal Mantri
Compliance & Governance	Mr. Daud Ali and Mr. Himanshu S. Gupta
Regulatory Expertise	Mr. Himanshu S. Gupta and Mr. Daud Ali

h) Independent Directors confirmation by the Board

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of SEBI (LODR) Regulations, 2015. In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of SEBI (LODR) Regulations, 2015. In the opinion of the Board, the Independent Directors fulfill the conditions specified under Companies Act, 2013 and SEBI (LODR) Regulations, 2015 and affirm that they are independence of the management.

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

During the financial year 2024-25, none of the Independent Director resigned from the post of Independent Director from the Company. Hence, this point is not applicable to the Company.

j) Directors Appointment/Re-Appointment

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Mukesh Kumar Kothari (DIN: 03103336) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Committees of the board

In Compliance with the Companies Act 2013 and Listing Regulation, the Board has constituted various committees with specific terms of reference and scope. The objective is to focus effectively on issues and ensure expedient resolution of the diverse matter. The constitution of the Board Committees is available on the Company's website, www.italica.com.

3) AUDIT COMMITTEE

a) Terms of reference

The Audit Committee inter alia performs the function of approving Annual Internal Audit plan, review of financial reporting system, Internal controls system, discussion on quarterly, half yearly and annual financial results, interaction with statutory and internal Auditors, one-on-one meetings with statutory and internal Auditors, recommendation for the appointment of statutory auditor and their remuneration, recommendation for the appointment and remuneration of internal auditors, review of Business Management plan, review of internal audit reports significant related party transactions. The Board has framed the Audit Committee Charter for the purpose of effective compliance of provisions of Section 177 of the Companies Act, 2013 and Regulation 18 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

There are no subsidiary companies of the Company, hence new clause under Schedule II Part C, in Clause A (21) of SEBI (LODR) Regulations 2015 vide notification dated 09.05.2018 is not applicable.

Composition, Name of members and Chairperson

As on March 31, 2025, Audit Committee comprises of 3 directors and all of them are non-executive director. Ms. Apeksha Agiwal became Chairperson of Audit Committee (w.e.f. May 10, 2024) is an independent director and has sound financial knowledge. The composition of audit Committee meets the requirement of Section 177

of the Companies Act, 2013 and Regulation 18 of Listing Regulation. The Company secretary acts as the secretary to committee. Ms. Apeksha Agiwal, the Chairperson of Audit Committee was present in AGM 2024 to answer the queries of shareholders, if any.

Name of Director(s)	Designation	Category
Ms. Apeksha Agiwal	Chairperson	Non-Executive Independent Director
Mr. Mukesh Kumar Kothari	Member	Non-Executive Director
Mr. Himanshu S. Gupta	Member	Non-Executive Independent Director

b) Meetings and attendance during the year

The Audit Committee met four times during the financial year on May 09, 2024, July 25, 2024, October 25, 2024 and January 23, 2025. The necessary Quorum was present at the meetings.

The composition and attendance of members at the meeting held for FY 2024-25 are given below:

Name of Director(s)	No. of Meetings held	No. of Meetings attended
Mr. Mukesh Kumar Kothari	04	04
Mrs. Namrata Babel	04	01*
Mr. Himanshu S. Gupta	04	04
Ms. Apeksha Agiwal	04	03*

*Notes

- Mrs. Namrata Babel ceases to be Chairperson in Audit Committee w.e.f. May 10, 2024.
- Ms. Apeksha Agiwal appointed as the Chairperson in Audit Committee w.e.f. May 10, 2024.

4) NOMINATION AND REMUNERATION COMMITTEE

a) Brief description of Terms of reference

The role of the Committee inter alia will be following:

Reviewing the overall compensation policy, service, agreements and other employment conditions of Managing/Whole Time Director(s) and Senior Management (one level below the Board):

- To help in determining the appropriate size, diversify and composition of the Board;
- To recommend to the Board appointment/reappointment and removal of Directors;

- To frame criteria for determining qualifications, positive attributes and independence of Directors;
- Recommend to the board, all remuneration, in whatever form, payable to senior management;
- Fixing the remuneration to executive Directors (the restrictions contained in the Companies Act, 2013 is to be considered;
- To create an evaluation framework for Independent Directors and the Board;
- To provide necessary reports to the chairman after the evaluation process is completed by the Directors;
- To assist in developing a succession plan for the Board;
- To assist the Board in fulfilling responsibilities entrusted from time to time;
- Delegation of any of its powers to any Member of the Committee of the Compliance Officer.

The Company has laid down Code of conduct for its Board members and Senior Management Personnel. All directors and designated personnel have affirmed compliance with their respective codes for the year under review. The declaration to this effect signed by Mr. Daud Ali, Managing Director and the same is annexed to this report.

b) Composition, Name of members and Chairperson

As on March 31, 2025 the Nomination and Remuneration Committee comprises of three Non-Executive Directors Ms. Apeksha Agiwal was appointed as Chairperson of the Nomination and Remuneration Committee w.e.f. May 10, 2024. The composition of the Committee meets the requirement of Section 178 of the Companies Act, 2013 and SEBI Listing Regulations. The Company Secretary shall act the secretary to the committee. The Nomination and Remuneration Committee met once i.e. on May 09, 2024. The necessary Quorum was present at the meeting.

Name of Director(s)	Designation	Category
Mrs. Namrata Babel	Chairperson	Non-Executive Independent Director (ceased w.e.f. May 10, 2024)
Ms. Apeksha Agiwal	Chairperson	Non-Executive Independent Director (appointed w.e.f. May 10, 2024)
Mr. Mukesh Kumar Kothari	Member	Non-Executive Director
Mr. Himanshu S. Gupta	Member	Non-Executive Independent Director

c) Meeting and attendance during the year

The composition and attendance of members at the meeting held for FY 2024-25 are given below:

Name of Director(s)	No. of Meetings held	No. of Meetings attended
Mr. Mukesh Kumar Kothari	1	1
Mrs. Namrata Babel	1	1
Mr. Himanshu S. Gupta	1	1

Note:

Ms. Apeksha Agiwal became Chairperson of Nomination and Remuneration Committee (NRC) w.e.f. May 10, 2024 and thereafter no meeting of NRC was conducted during FY 2024-25.

d) Performance evaluation criteria for independent directors

The performance evaluation for the financial year was carried out in accordance with the criteria laid out by the Nomination and Remuneration Committee and approved by the Board. The entire Board of Directors (excluding the

Director being evaluated) did the evaluation of all directors (including Independent Directors).

e) Senior management

Particulars of senior management including the changes therein since the close of the previous financial year. Not applicable.

5) REMUNERATION OF DIRECTORS**a) All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company**

There is no pecuniary relationship or transactions of the non-executive director vis-à-vis the Company.

b) Criteria of making payments to non-executive directors

No sitting fee is paid to Non Executive Director. The Company has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees regulated by the Nomination and Remuneration Committee of the Board. The Nomination and Remuneration Policy is also available on the website of the Company www.italica.com.

c) Disclosures with respect to Remuneration for FY 2024-2025

₹ in Lakhs

Name of Director	Category	Remuneration (Salary, perquisites & other allowances)	Stock option/Bonus/ Other Performance linked incentives	Total
Mr. Daud Ali	Managing Director	46.84	NIL	46.84
Mr. Narendra Bhanawat	Whole Time Director and Chief Financial Officer	7.80	NIL	7.80

Note:

- Service contract is of three years for Mr. Daud Ali w.e.f. April 01, 2024 and for Mr. Narendra Bhanawat w.e.f May 28, 2024.
- Notice period is 3 Months from either side and Severance fees is not applicable.

6) STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has Stakeholders Relationship Committee in compliance with the requirement of SEBI Listing Regulations and provisions of Section 178 of the Companies Act, 2013. As on March 31, 2025, the committee comprises of 3 members of whom 2 are Independent Director and 1 is Non-Executive Director. Ms. Apeksha Agiwal acts as the chairperson of Stakeholders Relationship Committee. The Company Secretary acts as the secretary to the committee.

The role of the committee shall inter-alia include the following:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

The meetings of the Committee are generally held as and when deemed necessary, to review and ensure that all investor requests/grievances are redressed within a stipulated time period.

a) Name of Non-Executive Director heading the committee

Ms. Apeksha Agiwal, Non-Executive Independent Director was appointed as the Chairperson of the Stakeholders Relationship/Grievance Redressal Committee w.e.f. May 10, 2024. The Committee consists of the following persons:

Name of Director(s)	Designation	Category
Mrs. Namrata Babel	Chairperson	Non-Executive Independent Director (Ceased w.e.f. May 10, 2024)
Ms. Apeksha Agiwal	Chairperson	Non-Executive Independent Director (Appointed w.e.f. May 10, 2024)
Mr. Mukesh Kumar Kothari	Member	Non-Executive Director
Mr. Himanshu S. Gupta	Member	Non-Executive Independent Director

b) Meetings and attendance during the year

During Financial Year 2024-25, the Stakeholders Relationship Committee met once on May 09, 2024. The necessary quorum was present at all meetings.

Attendance of members at the meeting held for FY 2024-25 are given below:

Name of Director(s)	Category	No. of Meetings held	No. of Meetings attended
Mr. Himanshu S. Gupta	Independent Non-Executive	1	1
Mr. Mukesh Kumar Kothari	Non-Executive	1	1
Mrs. Namrata Babel	Independent Non-Executive	1	1

Note:

Ms. Apeksha Agiwal became Chairperson of Stakeholders and Relationship Committee (SRC) w.e.f. May 10, 2024 and thereafter no meeting of SRC was conducted during FY 2024-25.

c) Name and Designation of compliance officer

Mr. Rajat Raja Kothari, Company Secretary acts as Compliance Officer of the Company.

d) Number of shareholders' complaints received so far

One shareholder complaint was received and the same was resolved in the financial year.

e) Number not solved to the satisfaction of shareholders

NIL

f) Number of pending complaints

NIL

To redress investor grievances, the Company has a dedicated e-mail id investor@italica.com to which investor may send their grievance.

7) RISK MANAGEMENT COMMITTEE

The 'Risk Management Committee' ('RMC') was formed on July 09, 2021 but as on March 31, 2025, following are the members

Name of Director(s)	Designation	Category
Ms. Apeksha Agiwal	Chairperson	Non-Executive Independent Director (Appointed w.e.f. May 10, 2024)
Mr. Mukesh Kumar Kothari	Member	Non-Executive Director
Mr. Himanshu S. Gupta	Member	Non-Executive Independent Director

Note:

Mrs. Namrata Babel (Chairperson of Risk Management Committee ceased to be Chairperson w.e.f. May 10, 2024).

The role of the committee shall inter-alia include the following:

- (1) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectorial, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;
- (2) Measures for risk mitigation including systems and processes for internal control of identified risks; and
- (3) Business continuity plan.

a) Meetings and attendance during the year

During Financial Year 2024-25 the Risk Management committee met twice on June 22, 2024 and December 12, 2024. The necessary quorum was present at all meetings.

Attendance of members at the meeting held for FY 2024-25 are given below:

Name of Director(s)	Category	No. of Meetings held	No. of Meetings attended
Mr. Himanshu S. Gupta	Independent Non-Executive	2	2
Mr. Mukesh Kumar Kothari	Non-Executive	2	2
Ms. Apeksha Agiwal	Independent Non-Executive	2	2

8) GENERAL BODY MEETING

a) Location, Time and any special resolutions passed in the previous three annual general meetings

The details of last three Annual General Meetings and special resolutions passed thereat are as follows:

Year	Date	Time	Venue	No. of Special Resolutions Passed
2023-24	June 27, 2024	11:00 A.M.	Through Video Conferencing/Other Audio Visual Means and at Kodyat Road, Village: Sisarma, Udaipur – 313031	01
2022-23	June 23, 2023	11:00 A.M.	Through Video Conferencing/Other Audio Visual Means and at Kodyat Road, Village: Sisarma, Udaipur – 313031	04
2021-22	June 30, 2022	11:00 A.M.	Through Video Conferencing/Other Audio Visual Means and at Kodyat Road, Village: Sisarma, Udaipur – 313031	01

b) Postal Ballot

During the financial year ended March 31, 2025, no resolution was passed by Postal Ballot.

d) Presentation made to institutional investors or to the analysts: During the year under review there were no presentations made to institutional investors or the analysts.

9) MEANS OF COMMUNICATION

a) Quarterly Results: The quarterly and annual financial results of the Company are uploaded on NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre in accordance with the requirements of Listing Regulations. The financial results are displayed on BSE and NSE websites. During this year Company has sent the quarterly business updates to all the shareholders of the Company.

b) Newspaper wherein results normally published and website, where displayed: The quarterly/half-yearly/annual financial results are published in prominent daily newspaper viz. The Free Press Journal and Dainik Pukar. The financial results and the official news releases are also uploaded on the Company's website www.italica.com in the 'Investor Relations' Section.

c) News Release: The Company regularly publishes an official Business Update Report which are sent to the stock exchanges and posted on the Company's website as well.

10) GENERAL SHAREHOLDER INFORMATION:

a) Annual General Meeting - Date, Time and Venue

Day & Date: Friday, June 27, 2025

Time: 11: 00 AM

Venue: Meeting will be held through Video Conferencing (VC)/Other Audio Visual Means (OAVM) facility and also physically at the registered office of the Company. The address will be the registered office of the Company.

b) Financial year

April 01, 2024 to March 31, 2025

c) Record Date

As mentioned in the Notice of this AGM i.e. from 21.06.2025 to 27.06.2025 (both the dates are inclusive)

Dividend Payment Date: Not applicable

d) Name and address of each Stock Exchange(s) at which the Company securities are listed and a confirmation about payment of annual listing fee to each of such Stock Exchange(s)

The Equity Shares of the Companies are listed on below two Stock Exchanges and annual listing fees for Financial Year 2024-2025 to both the stock exchanges have been paid by the Company within stipulated time.

Name & Address of Stock Exchanges, Stock Codes and Symbol:

The Stock Exchange, Mumbai (BSE) BSE Limited Phiroze Jeejeebhoy Towers 25 th Floor, Dalal Street Mumbai - 400001	National Stock Exchange of India Ltd. (NSE) National Stock Exchange of India Limited, Exchange Plaza, C-1, Block-G Bandra Kurla Complex, Bandra – East Mumbai – 400051
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e) In case the securities are suspended from trading, the Directors' Report shall explain the reason thereof

Not applicable

f) Registrar & Transfer Agent

The work related to Share Transfer Registry in terms of both physical and electronic mode is being deal with by MUFG INTIME INDIA PVT. LTD (Previously known as LINK INTIME INDIA PVT. LIMITED) at the address given below:

Address for correspondence:

MUFG INTIME INDIA PRIVATE LIMITED
247 Park, C-101 1st Floor,
LBS Marg, Vikroli (W),
Mumbai - 400083
E-mail: rnt.helpdesk@in.mpms.mufg.com
Tel No.: +91 22 49186000
Fax No.: +91 22 49186060

g) share transfer system and other related matters

The shares, which are received in physical form for transfer/transmission/split etc., are immediately processed and dispatched within the stipulated time period. Also pursuant to the Listing Regulations, certificate is obtained from practicing Company secretary on yearly basis to the effect that all the transfer is completed within stipulated statutory period. A copy of the certificate so received is submitted to both the stock exchanges, where shares of Company are listed.

h) Distribution of Shareholding as on March 31, 2025

Size of Holding	No. of Share Holders	Percentage (%)	No. of Shares	Percentage (%)
Up to 500	42,484	76.3716	47,79,515	2.0338
501 to 1000	5,508	9.9015	47,34,255	2.0146
1001 to 2000	3,462	6.2235	55,13,100	2.3460
2001 to 3000	1,097	1.9720	28,82,013	1.2264
3001 to 4000	767	1.3788	28,63,624	1.2186
4001 to 5000	572	1.0283	27,61,549	1.1751
5001 to 10000	915	1.6449	70,59,754	3.0042
Above 10000	823	1.4795	20,44,06,190	86.9814
Total	55,628	100.0000	23,50,00,000	100.0000

Categories of Equity Shareholders

Sr. No.	Particulars	No. of Shares	% of Share Holding
1	Promoters' Holdings:		
	Individuals	3,16,200	0.13
	Bodies Corporate	11,74,00,000	49.96
	Sub Total	11,77,16,200	50.09
2	Non-Promoter Holdings:		
	Individuals	8,34,89,536	35.53
	Banks & Other Financial Institution	14,92,048	0.65
	Mutual Fund	54,000	0.02
	HUF	83,15,295	3.54
	Bodies Corporate	2,18,15,319	9.28
	Overseas Body Corporate	6,000	0.00
	NRI	13,45,328	0.57
	Clearing members	5,198	0.00
	Foreign Portfolio Investor	1,079	0.00
	LLP	7,59,997	0.32
	Sub Total	11,72,83,800	49.91
	Grand Total (1+2)	23,50,00,000	100.00

i) Dematerialisation of shares and liquidity

The share of the Company are traded in dematerialized form and are available for trading with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The shareholder can hold the Company's share with any of the depository participant. The International Securities Identification No. (ISIN) for Company's shares is INE600A01035. As on March 31, 2025, 99.47% shares of the Company are in dematerialized form with the depositories.

j) Outstanding global depository receipts or american depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity

As on March 31, 2025, the Company does not have any outstanding GDRs/ADRs/Warrants or any other convertible instruments.

k) Commodity price risk or foreign exchange risk and hedging activities

No such risk is faced by Company during FY 2024-25.

l) Location of plants

Kodiyat Road, Village: Sisarma, Udaipur (Raj.) - 313031 AND Survey No. 95 (Old Sr. No. 34/1/1) Opp. Huhtamaki Ltd, Sayli, Umarkui Dadra & Nagar Haveli, Dadra and Nagar Haveli, 396230.

Depot:

Bengaluru, Bhiwandi, Bhubaneswar, Ghaziabad, Jabalpur, Zirakpur, Kanpur, Patna and Vijaywada.

m) Address for correspondence

	Contact	Email	Address
Investor Relation Department of Company	Mr. Rajat Raja Kothari, Company Secretary and Compliance Officer	corporate@italica.com	PIL ITALICA LIFESTYLE LIMITED Kodiyat Road, Village Sisarma, Udaipur (Raj.) – 313031 Mob No.: 7230092282
Registrar & Transfer Agent	MUFG Intime India Pvt. Ltd. (Previously known as Link Intime India Pvt. Ltd.)	rnt.helpdesk@in.mpms.mufg.com	MUFG INTIME INDIA PRIVATE LIMITED (Previously known as LINK INTIME INDIA PVT. LTD.) 247 Park, C-101 1 st Floor, LBS Marg, Vikroli (W), Mumbai - 400083 Tel No.: 022-49186000 Fax No.: 022-49186060

n) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad

Not applicable

11) OTHER DISCLOSURES

a) Materially Significant related party transaction

All the related party transactions have been done at arm's length price and in the ordinary course of Business with the prior approval of Audit Committee. Policy related to related party transactions of the Company is also available on the website of the Company at www.italica.com.

b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years

The Company has not been penalized, nor have the Stock Exchanges, SEBI or any statutory authority imposed any strictures, during the last three years, on any matter relating to capital markets.

c) Establishment of Vigil Mechanism/Whistle Blower Policy

In line with the best Corporate Governance practices, Company has put in place a system through which the Directors and Employees may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Employees and Directors may report to the Compliance Officer and have direct access to the Chairman of the Audit Committee.

d) Details of compliance with mandatory requirements and adoption of the no mandatory requirements

The Board of Directors periodically reviews the compliance of all applicable laws. The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

e) Web link where policy for determining 'material' subsidiaries is disclosed

The policy for determining material subsidiaries is available on the website of the Company at www.italica.com although it is not applicable on Company.

f) Web link where policy on dealing with related party transactions is disclosed

The policy for determining related party transactions is available on the website of the Company at www.italica.com

g) Commodity Price Risk or Foreign exchange risk and hedging activities

The Company does not deal in commodities price risks and commodity hedging activities, hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A)

Not applicable

i) A certificate from a Company Secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority

The Certificate of Company Secretary in practice is annexed as herewith as **Annexure 4** of this report.

j) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year

During the Financial Year 2024-25, the Board has accepted all the recommendations of its Committees.

k) Total fees for all services paid by the listed entity, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part

The annual fees paid to Statutory Auditors during the Financial Year 2024-25 was ₹40,000.

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

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, Company has constituted Internal Complaints Committee which is responsible for Redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment.

m) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount'

During the FY 2024-25, the Company has not given any 'Loans and Advances' in the nature of loan to Firms/ Companies in which Directors are interested. The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements for 2024-25.

n) Details of material subsidiaries of the Company, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

The Company does not have Subsidiary Company as on reporting date. Hence, the said disclosure is not applicable.

The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements for 2024-25.

12) DISCLOSURE OF THE EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II

a) The Board of Directors

The Company has fixed Chairman.

b) Shareholder Rights

As the Quarterly and Half Yearly Financial Results are published in the newspapers as well as displayed on the Company's website www.italica.com, hence the results are not sent to household of each of the shareholder. The complete Annual report is sent to each and every shareholder of the Company.

c) Audit Qualifications

The Auditors have raised no qualification on the financial statements for the year ended March 31, 2025.

d) Reporting of Internal Auditor

The Internal Auditor of the Company reports directly to the Audit Committee of the Company.

13) DISCLOSURE OF COMPLIANCE OF REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB REGULATION (2) OF REGULATION 46

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and

clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The report from M/s H. R. Jain & Co. Chartered Accountant have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Schedule V of the SEBI Listing Regulations and the said certificate is annexed to the Report.

14) DECLARATION SIGNED BY MANAGING DIRECTOR STATING THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED COMPLIANCE WITH THE CODE OF CONDUCT OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The Company is committed to conduct its business in accordance with the applicable laws, rules and regulations and with the highest standards of business ethics. The Board has adopted a Code of conduct for Directors and Senior Management of the Company. The Code is available on the website of the Company: www.italica.com and the declaration is annexed as **Annexure 1** and forms part of corporate governance report.

15) COMPLIANCE CERTIFICATE FROM EITHER THE AUDITORS OR PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE SHALL BE ANNEXED WITH THE DIRECTORS' REPORT

The certificate from M/s H. R. Jain & Co. Chartered Accountant statutory auditor of the Company regarding compliance of conditions of corporate governance is annexed as **Annexure 2** and forms an integral part of the Annual Report.

16) C.E.O./C.F.O. CERTIFICATION

The required certificate under Regulation 17(8) of the Listing Regulations signed by the Managing Director (C.E.O.) and the Chief Financial Officer (C.F.O.) is attached as **Annexure 3** with this report.

17) DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

The Company does not have any shares in the demat suspense account or unclaimed suspense account.

18) DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES

- 1) Information disclosed under clause 5A of paragraph A of Part A of Schedule III of these regulations- Not applicable.

19) OTHER USEFUL INFORMATION FOR SHAREHOLDERS:

Green Initiative by MCA

In compliance with the provisions of Section 20 of the Companies Act, 2013 and as a continuous endeavor towards 'Go Green' initiative, the Company proposes to send all correspondences/communications through email to those shareholder's, who have registered their email Id with their depository participant's/Company registrar and share transfer agent. In case the shareholder's is desire to receive printed copy of such communications, they may send requisition to the Company. The Company will forthwith send a printed copy of the communication to the respective shareholder.

Consolidation of Multiple Folios

Shareholder(s) of the Company who have multiple accounts in identical name(s) or holding more than one Share Certificate in the same name under different Ledger Folio(s) are requested to apply for consolidation of such Folio(s) and send the relevant Share Certificates to the Company.

Nomination Facility

Provision of Section 72 of the Companies Act, 2013 read with rule 19(1) of the rules made thereunder extends

nomination facility to individuals holding shares in the physical form. To help the legal heirs/successors get the shares transmitted in their favour, shareholder(s) are requested to furnish the particulars of their nomination in the prescribed Nomination Form. Shareholder(s) holding shares in Dematerialized form are requested to register their nominations directly with their respective DPs.

Update your Correspondence Address/Bank Mandate/Email Id

To ensure all communications/monetary benefits received promptly, all shareholders holding shares in physical form are requested to notify to the Company change in their address/bank details/email Id instantly by written request under the signatures of sole/first joint holder. Shareholder(s) holding shares in dematerialized form are requested to notify change in bank details/address/email Id directly with their respective DPs.

Quote Folio No./DP ID No.

Shareholders/Beneficial Owners are requested to quote their Folio Nos./DP ID Nos., as the case may be, in all correspondence with the Company. Shareholders are also requested to quote their Email IDs, Contact/Fax numbers for prompt reply to their correspondence.

For and on behalf of the Board of Directors

Place: Udaipur
Date: May 12, 2025

Sd/-
Daud Ali
Managing Director
DIN: 00185336

Sd/-
Narendra Bhanawat
Whole Time Director & CFO
DIN: 00146824

Annexure 1

DECLARATION AFFIRMING COMPLIANCE WITH CODE OF CONDUCT

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management team, affirmation of Compliance with the Code of Conduct for Directors and senior Management in respect of the financial year ended on March 31, 2025.

For PIL ITALICA LIFESTYLE LIMITED

Place: Udaipur
Date: April 01, 2025

Sd/-
Daud Ali
Managing Director
DIN: 00185336

Annexure 2

AUDITORS CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

To,
The Board of Directors
PIL ITALICA LIFESTYLE LIMITED,
Kodiyat Road, Sisarma
Udaipur (Raj.) – 313031

We have examined the compliance of conditions of Corporate Governance by **PIL ITALICA LIFESTYLE LIMITED** for the year ended on March 31, 2025 ("Period Under Review").

We certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The Compliance of the conditions of Corporate Governance is the responsibility of the management/board of the Company. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring Compliance with the conditions of Corporate Governance. This certificate is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India (if any), we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2025.

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

For H.R.Jain & Co.
Chartered Accountants
ICAI FRN: 000262C

Sd/-
Manoj Jain
(Partner)

Place: Udaipur
Date: May 12, 2025

M. No.: 400459
UDIN: 25400459BMKVYV7617

Annexure 3

CEO/CFO CERTIFICATION

(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)

We, Daud Ali, Managing Director and Narendra Bhanawat, Whole Time Director and CFO of PIL ITALICA LIFESTYLE LIMITED, to the best of our knowledge and belief hereby certify that:

- a) We have reviewed financial statements and the cash flow statement of PIL ITALICA LIFESTYLE LIMITED for the year ended March 31, 2025 and to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting.

We have not come across any reportable deficiencies in the design or operation of such internal controls.

- d) We have indicated to the Auditors and the Audit Committee:
 - i) that there are no significant changes in internal control over financial reporting during the year;
 - ii) that there are no significant changes in accounting policies during the year; and
 - iii) that there are no instances of significant fraud of which we have become aware.

For and on behalf of the Board of Directors

Place: Udaipur
Date: May 12, 2025

Sd/-
Daud Ali
 Managing Director
 DIN: 00185336

Sd/-
Narendra Bhanawat
 Whole Time Director & CFO
 DIN: 00146824

Annexure 4

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
PIL ITALICA LIFESTYLE LIMITED
Kodiyat Road, Sisarma
Udaipur (Raj.) – 313031

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of PIL ITALICA LIFESTYLE LIMITED having CIN – L25207RJ1992PLC006576 having registered office at Kodiyat Road, Village: Sisarma, Udaipur (Raj.) – 313031 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to me/us by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	DESIGNATION	Date of appointment in Company
1	Daud Ali	00185336	Managing Director	01.05.1992
2	Mukesh Kumar Kothari	03103336	Non-Executive Non- Independent Director	25.01.2010
3	Narendra Bhanawat	00146824	Whole Time Director	21.07.2010
4	Himanshu Surendrakumar Gupta	09607045	Non-Executive Independent Director	21.05.2022
5	Apeksha Agiwal	10083559	Non-Executive Independent Director	29.03.2023
6	Sonal Mantri	10616908	Non-Executive Independent Director	09.05.2024

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

For **P. Talesara & Associates**
Company Secretaries

Sd/-
(Pawan Talesara)
Proprietor

Place: Udaipur
Date: May 09, 2025

FCS No.: 8096, C P No.: 2674
UDIN: F008096G000308638

Annexure E

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2024-2025

[Report on Corporate Social Responsibility as per Rule 8 of the Companies (Corporate Social Responsibility) Rule, 2014]

1. Brief outline on CSR policy of the Company

The report on Corporate Social Responsibility for the FY 2024-2025 including an overview of projects or programs proposed to be undertaken by the Company.

CSR policy is stated herein below:

Our aim is to be one of the most respected companies in India delivering superior and everlasting value to all our customers, associates, shareholders, employees and Society at large.

The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society.

To pursue these objectives we will continue to:

- 1) Work actively in areas of eradication of hunger and poverty, provide opportunity and financial assistance for the promotion of education, provide medical aid to the needy and down trodden.
- 2) Collaborate with likeminded bodies like Voluntary organizations, charitable trusts, governments and academic institutes in pursuit of our goals.
- 3) Interact regularly with stakeholders, review and publicly report our CSR initiatives.

2. Composition of CSR committee

Since the total amount to be spend for CSR is less than ₹50 Lakhs therefore the liability to form CSR Committee does not arise. The Board formed its CSR Policy and accordingly amount has been spent through various CSR activities. The Board in its meeting held on 25.07.2024, 25.10.2024 and 23.01.2025 decided to Spent CSR amount through Charitable Trust.

3. The web-link where composition of CSR Committee, CSR Policy and CSR Project approved by the Board are disclosed on the website of the Company

The web-links are as under:

www.italica.com

https://cdn.shopify.com/s/files/1/0550/4466/9495/files/CSR_POLICY_PIL_95068455-9c1d-45d6-ac9d-c2dedfb0f64a.pdf?v=1730119505

4. Details of Impact Assessment of CSR Project carried out in presence of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rule, 2014, if applicable

Not applicable, as the Company does not have average CSR obligation of ₹10 Crore or more in pursuance of Section 135(5) of the Companies Act, 2013 in the three immediate preceding financial years.

5.

- (a) Average net profit of the Company as per sub-section (5) of Section 135: ₹447.14 Lakhs
- (b) Two percent of average net profit of the Company as per sub-section (5) of Section 135: ₹8.94 Lakhs
- (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: N.A.
- (d) Amount required to be set-off for the financial year, if any: N.A.
- (e) Total CSR Obligation for the financial year [(b)+(c)-(d)] - ₹8.94 Lakhs

6.

- (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project: ₹9.01 Lakhs
- (b) Amount spent on Administrative Overheads: N.A.
- (c) Amount Spent on Impact Assessment, if applicable: N.A.
- (d) Total amount spent for the Financial Year [(a) + (b) + (c)]: ₹9.01 Lakhs

(e) CSR Amount spent or unspent for the Financial Year:

Total Amount Spent for the FY 2024-25 (₹ in Lakhs)		Amount Unspent (₹ in Lakhs)	
Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)	
Amount	Date of Transfer	Name of Fund	Name of Fund
9.01		Not applicable	

(f) Details of CSR amount spent against ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	State	District	Project Duration	Amount allocated for the project (₹ in Lakhs)	Amount spent in the current financial year (₹ in Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakhs)	Mode of Implementation - Direct (Yes/ No)	Name	CSR Registration Number
Not Applicable												

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

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Local area (Yes/ No)		Amount spent for the project (₹ in lakhs)	Mode of implementation - Direct (Yes/ No)	Mode of implementation - Through Implementing Agency.		CSR Registration No.
				State	District			Name		
1.	Promoting Education, Livelihood Enhancement Project	Item No. (ii) from the list	No	Gujarat		₹8,70,100.00 (Rupee Eight Lakhs Seventy Thousand One Hundred Only)	No	ASHRAY FOUNDATION		CSR000001091
2.	Protection of National Heritage, Art and Culture	Item No. (v) from the list	Yes	Udaipur		₹31,000 (Rupee Thirty One Thousand Only)	No	SRAJAN - THE SPARK		CSR000009867

(h) Excess amount for set-off, if any:

Sr. No	Particular	Amount (₹ in Lakhs)
1	Two percent of average net profit of the Company as per Section 135(5)	8.94
2	Total amount spent for the Financial Year	9.01
3	Excess Amount spent for the Financial Year [(ii)-(i)]	0.07
4	Surplus arising out of the CSR projects or programmes or activities of the Previous FY, if any	NA
5	Amount available for set off in succeeding FY [(iii)-(iv)]	0.07

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years

N.A.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year

No

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per subsection (5) of Section 135

N.A.

For and on behalf of the Board of Directors

Sd/-
Daud Ali
Managing Director
DIN: 00185336

Sd/-
Narendra Bhanawat
Whole Time Director & CFO
DIN: 00146824

Independent Auditor's Report

On the Audit of the Standalone Financial Statements

To the Members of PIL Italica Lifestyle Limited

STATEMENTS OPINION

We have audited the accompanying standalone financial statements of **PIL ITALICA LIFESTYLE LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

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

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. 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.

On the facts and circumstances of the Company and the audit, we determine that there are no key Audit matters to communicate.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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

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

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

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

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements

that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the

Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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 Section 143(3) of the Act, based on our audit 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, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- 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 standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring 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 entity, including foreign entity ("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 entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under and (b) above, contain any material misstatement.
- v. The Company has neither proposed nor paid any dividend during the previous year and during the current year hence compliance as per Section 123 of the companies' act is not applicable.

- vi. Based on our examination, which included test checks, the Company has used accounting software's for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same was in operation throughout the year for all relevant transactions recorded in the software's. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirement for record retention.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For H R JAIN & CO.,

Chartered Accountants

Firm's Registration No.: 000262C

Sd/-

Manoj Jain

Partner

Membership No.: 400459

Place of signature: Udaipur**Date:** May 12, 2025

ICAI UDIN: 25400459BMKVYW6462

Annexure “A”

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of PIL Italica Lifestyle Limited)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls over financial reporting of **PIL ITALICA LIFESTYLE LIMITED** (the "Company") as of March 31, 2025 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- iii. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, 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 system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the criteria for internal financial control over financial reporting 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 ICAI.

For H R JAIN & CO.,

Chartered Accountants

Firm's Registration No.: 000262C

Sd/-

Manoj Jain

Partner

Membership No.: 400459

Place of signature: Udaipur**Date:** May 12, 2025

ICAI UDIN: 25400459BMKVYW6462

Annexure “B”

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of PIL ITALICA LIFESTYLE LIMITED of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. (a) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) As explained to us, all the 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 size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.

(c) According to information's and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the names of the company.

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property

under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) As explained to us that the inventory has been physically verified during the year by management. In our opinion the frequency of verification is reasonable and the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business; and the company is maintaining proper records of inventory, no material discrepancies were noticed on physical verification of the inventory.

(b) The Company is availing working capital in excess of ₹ 5 crores during the year on the basis of security of current assets and the quarterly returns or statements filed by the company with financial institutions or banks, are in agreement with the books of account of the Company.

iii. During the year the Company has not made investments in but has granted unsecured loans to companies, firms, Limited Liability Partnerships or other parties but has not stood guarantee or provided security to any other entity,

(a) During the year the Company has provided loans or provided advances in the nature of loans but has not stood guarantee or provided security to any other entity:

(A) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances to subsidiaries, joint ventures and associates; - NIL

(B) the aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances to parties other than subsidiaries, joint ventures and associates:

₹ in Lakhs		
Particulars	Aggregate amount during the year	Amount outstanding as on 31/03/2025
Loan to others	1,899.50	2,279.03

(b) The Company has neither provided guarantees nor given security. The investments made are not prejudicial to the interest of the Company. Further the terms and conditions of the grant of all loans and advances in the nature of loans, except wherever interest free loans have been granted, are not prejudicial to the Company's interest.

(c) In respect of loans and advances in the nature of loans, no schedule of repayment of principal and payment of interest has been stipulated.

- (d) In respect of aforesaid loans, there is no amount overdue for more than ninety days.
- (e) During the year no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) During the year the Company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of Section 2 of the Companies Act, 2013 are as under.

Aggregate amount (₹ in Lakhs)	% of the total loans granted	Aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of Section 2 of the Companies Act, 2013 (₹ in Lakhs)
1,899.50	100%	NIL

- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(V) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 for the business activities carried out by the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and there is no arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2025 on account of disputes are given below:

Nature of the statute	Nature of dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount ₹ in Lakhs
FEMA Act, 1999	Penalty	Rajasthan high court, Jodhpur	2003-2004	122.00

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted on repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (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) According to the information and explanations given to us and the records of the Company examined by us, The Company has not taken term loan during the year.
- (d) According to the information and explanations given to us, and the procedure 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 utilised for long term purposes by the Company.
- (e) The Company do not have any subsidiary, associate, and joint venture hence reporting under clause 3(ix)(e) and (f) of the order are not applicable.
- x. (a) The Company has not raised moneys 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.

- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information's and explanations given to us, we have neither come across any instance of material fraud by the company or on the company, noticed or reported during the year, nor we have been informed of any such case by the Management.
- (b) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information's and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, was not required to be filed with the Central Government. Accordingly reporting under clause 3(xi)(b) of the order is not applicable to the Company.
- (c) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information's and explanations given to us and as represented by the Management, the Company has received no whistle blower complaints during the year. Accordingly reporting under clause 3(xi)(c) of the order is not applicable to the Company.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion and according to information's and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934)
- (b) The Company has not conducted any Non-Banking Financial or Housing Financial activities without a valid certificate of registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934, Accordingly reporting under clause 3(b) of the order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, accordingly reporting under clause 3(xvi)(c) of the order is not applicable to the Company.
- (d) Based on the information and explanations provided by the Management of Company, The Company does not have any CIC, we have not however, separately evaluated whether the information provided by the management is accurate and complete, accordingly reporting under clause 3(xvi)(d) 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 of the company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub-section 5 of Section 135 of the Act. This matter has been disclosed in Note 51 to the financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub-section (6) of Section 135 of Companies Act.
- xxi. Clause (xxi) of CARO, 2020 is not applicable as this audit report is relating to standalone financial statements.

For H R JAIN & CO.,

Chartered Accountants

Firm's Registration No.: 000262C

Sd/-

Manoj Jain

Partner

Membership No.: 400459

Place of signature: Udaipur

Date: May 12, 2025

ICAI UDIN: 25400459BMKVYW6462

Balance Sheet

As at March 31, 2025

₹ in Lakhs

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
A ASSETS			
1 Non-Current assets			
(a) Property, plant and equipment	4	4,365.49	3,076.45
(b) Capital work-in-progress		-	-
(c) Investment properties		-	-
(d) Goodwill		-	-
(e) Other intangible assets	5	12.88	13.75
(f) Intangible assets under development		-	-
(g) Biological assets other than bearer plants		-	-
(h) Financial assets			
(1) Investments	6	248.93	248.93
(2) Trade receivables		-	-
(3) Loans		-	-
(4) Others		-	-
(i) Deferred tax assets (net)		-	-
(j) Other non-current assets	7	63.33	61.97
Total non-current assets		4,690.63	3,401.10
2 Current assets			
(a) Inventories	8	1,666.47	1,781.24
(b) Financial assets			
(1) Investments		-	-
(2) Trade receivables	9	563.59	652.83
(3) Cash and cash equivalents	10	37.90	6.68
(4) Bank balances other than cash and cash equivalents	11	214.96	181.66
(5) Loans	12	2,289.67	3,340.86
(6) Others		-	-
(c) Current tax assets (net)	13	-	64.78
(d) Other current assets	14	249.52	281.28
Total current assets		5,022.11	6,309.33
Total assets		9,712.74	9,710.43
B EQUITY AND LIABILITIES			
(a) Equity share capital	15	2,350.00	2,350.00
(b) Other equity	16	5,592.46	5,068.20
Total equity		7,942.46	7,418.20
Liabilities			
1 Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	39.90	65.15
(i) (a) Lease liabilities		-	-
(ii) Trade payables		-	-
(iii) Other financial liabilities (other than those specified in item b)		-	-
(b) Provisions		-	-
(c) Deferred tax liabilities net	36	299.39	202.19
(d) Other non-current liabilities		-	-
Total non-current liabilities		339.29	267.34
2 Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	907.02	1,495.65
(a) Lease liabilities		-	-
(ii) Trade payables			
(a) Total outstanding of micro and small Enterprises		-	-
(b) Total outstanding other than micro and small Enterprises	19	101.79	207.21
(iii) Other financial liabilities (other than those specified)		-	-
(b) Other current liabilities	20	332.29	290.21
(c) Provisions	21	41.18	31.82
(D) current tax liabilities (net)	22	48.71	-
Total current liabilities		1,430.99	2,024.89
Total liabilities		1,770.28	2,292.23
Total equity and liabilities		9,712.74	9,710.43

See accompanying notes to financial statements 1 to 63

As per our audit report of even date

For H.R.JAIN & CO.
Chartered Accountants
Firm Reg. No.: 000262C

For and on behalf of the Board of Directors

Sd/-
Manoj Jain
Partner
Membership No.: 400459

Sd/-
Daud Ali
Managing Director
DIN: 00185336

Sd/-
Rajat Raja Kothari
Company Secretary
M. No.: A51610

Sd/-
Narendra Bhanawat
Whole Time Director
Chief Financial officer
DIN: 00146824

Place of signature: Udaipur
Date: May 12, 2025
ICAI UDIN: 25400459BMKVYW6462

Statement of Profit and Loss

For the year ended March 31, 2025

₹ in Lakhs

Particulars	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from operations	23	10,014.90	9,723.26
Other income	24	68.28	1.93
Total income		10,083.18	9,725.19
Expenses			
Cost of materials consumed	25	5,349.34	5,393.93
Purchases of traded goods	26	262.88	363.87
Changes in inventories of finished goods, WIP and Stock-in-trade	27	71.73	(72.35)
Employee benefit expenses	28	1,134.89	928.12
Finance costs	29	154.15	100.54
Depreciation and amortization expenses	30	149.70	92.07
Other expenses	31	2,259.57	2,299.22
Total expenses		9,382.26	9,105.40
Profit before exceptional item and tax		700.92	619.79
Exceptional items		-	-
Profit before tax		700.92	619.79
Tax expenses:			
Current tax	36	79.46	1.47
Deferred tax	36	97.20	156.37
Profit for the year from continuing operations		524.26	461.95
Profit for the year from discontinuing operations		-	-
Tax expenses of discontinuing operations		-	-
Profit (loss) for the period		524.26	461.95
Other comprehensive income			
(a) Items that will not be reclassified to P&L			
Remeasurement of the defined benefit plan		-	-
Income tax on items not to be reclassified to P&L		-	-
(b) Items that will be reclassified to P&L			
Income tax on items reclassified to P&L		-	-
Total comprehensive income for the year		524.26	461.95
Earning per share of continuing operation (of ₹ 1/- each)			
Basic earning per share ₹	32	0.22	0.20
Diluted earnings per share ₹	32	0.22	0.20
Earning per share of discontinuing operation (of ₹ 1/- each)			
Basic earning per share ₹		-	-
Diluted earnings per share ₹		-	-
Earning per share of continuing and discontinued operation			
Basic earning per share ₹		0.22	0.20
Diluted earnings per share ₹		0.22	0.20

See accompanying notes to financial statements 1 to 63

As per our audit report of even date

For H.R.JAIN & CO.
Chartered Accountants
Firm Reg. No.: 000262C

For and on behalf of the Board of Directors

Sd/-
Manoj Jain
Partner
Membership No.: 400459

Sd/-
Daud Ali
Managing Director
DIN: 00185336

Sd/-
Rajat Raja Kothari
Company Secretary
M. No.: A51610

Sd/-
Narendra Bhanawat
Whole Time Director
Chief Financial officer
DIN: 00146824

Place of signature: Udaipur
Date: May 12, 2025
ICAI UDIN: 25400459BMKVYW6462

Cash Flow Statement

For the year ended March 31, 2025

₹ in Lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	700.92	619.79
Adjustment for		
Depreciation and amortization expenses	149.70	92.07
Interest expenses	154.15	100.54
Provision for leave encashment	9.36	6.83
Profit on sale of property, plant and equipment	(65.27)	(1.93)
Operating profit before working capital changes	948.86	817.30
Adjustment for		
(Increase)/decrease non-current assets-other assets	(1.36)	32.85
(Increase)/decrease in inventories	114.77	(120.95)
(Increase)/decrease in trade receivables	89.24	(59.53)
(Increase)/decrease in current assets-loans	1,051.19	784.94
(Increase)/decrease in current tax assets	64.78	(30.71)
(Increase)/decrease in other current assets	31.76	(141.21)
(Increase)/decrease in Bank Balances other than cash and cash equivalent	(33.30)	(23.77)
Increase/(decrease) in trade payables	(105.42)	(116.55)
Increase/(decrease) in other current liabilities	42.08	40.39
Cash Generated from operations	2,202.60	1,182.76
Income taxes paid during the year	(30.75)	(1.47)
Net cash Inflow/(outflow) from operating activities (A)	2,171.85	1,181.29
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipments	(1,815.26)	(1,613.25)
From sale of property, plant and equipment	442.66	7.00
Net cash Inflow/(outflow) from Investing activities (B)	(1,372.60)	(1,606.25)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
From borrowings	-	13.68
Repayment of borrowing	(87.78)	(109.69)
Interest paid	(154.15)	(100.54)
Net cash Inflow/(outflow) from financing activities (C)	(241.93)	(196.55)
Net increase/decrease in cash and cash equivalents	557.32	(621.51)
Cash and cash equivalents		
At the beginning of the year	6.68	89.43
Less: Cash credit at the beginning of the year	1,369.46	830.70
At the end of the year	37.90	6.68
Less: Cash credit at the end of the year	843.36	1,369.46
Net Increase (Decrease) in cash and cash equivalent	557.32	(621.51)
Cash and cash equivalent as per above comprise of the following		
Cash on hand	5.23	2.76
Balances with schedule bank in current account	32.67	3.92
Cash and cash equivalent	37.90	6.68

The above statement of cash flows has been prepared under the "Indirect Method" as set out in the Indian accounting standard (Ind AS 7) "Statement of Cash Flows" specified under Section 133 of the Companies Act 2013.

See accompanying notes to financial statements 1 to 63

This is the statement of cash flow is referred in our audit report of even date.

For H.R.JAIN & CO.

Chartered Accountants
Firm Reg. No.: 000262C

For and on behalf of the Board of Directors

Sd/-
Manoj Jain
Partner
Membership No.: 400459

Sd/-
Daud Ali
Managing Director
DIN: 00185336

Sd/-
Rajat Raja Kothari
Company Secretary
M. No.: A51610

Sd/-
Narendra Bhanawat
Whole Time Director
Chief Financial officer
DIN: 00146824

Place of signature: Udaipur
Date: May 12, 2025
ICAI UDIN: 25400459BMKVYW6462

Statement of Changes in Equity

For the year ended March 31, 2025

(A) EQUITY SHARE CAPITAL

₹ in Lakhs

Equity Share Capital	Balance at the beginning of the reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the reporting period	changes in equity share capital during the current year	Balance at the end of the reporting period
For the year ended on March 31, 2025	2,350.00	-	-	-	2,350.00
For the year ended on March 31, 2024	2,350.00	-	-	-	2,350.00

(B) OTHER EQUITY

₹ in Lakhs

Other Equity	Securities Premium	General Reserve	Retained Earnings	Total
Balances at the beginning of reporting period April 1, 2024	4,036.00	25.13	1,007.07	5,068.20
Profit for the year	-	-	524.26	524.26
Balances at the end of reporting period March 31, 2025	4,036.00	25.13	1,531.33	5,592.46
Balances at the beginning of reporting period April 1, 2023	4,036.00	25.13	545.12	4,606.25
Profit for the year	-	-	461.95	461.95
Balances at the end of reporting period March 31, 2024	4,036.00	25.13	1,007.07	5,068.20

For H.R.JAIN & CO.
Chartered Accountants
Firm Reg. No.: 000262C

For and on behalf of the Board of Directors

Sd/-
Manoj Jain
Partner
Membership No.: 400459

Sd/-
Daud Ali
Managing Director
DIN: 00185336

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Company Secretary
M. No.: A51610

Sd/-
Narendra Bhanawat
Whole Time Director
Chief Financial officer
DIN: 00146824

Place of signature: Udaipur
Date: May 12, 2025
ICAI UDIN: 25400459BMKVYW6462

Notes to the Financial Statements

For the year ended March 31, 2025

NOTE 1 - CORPORATE INFORMATION

PIL ITALICA LIFESTYLE LIMITED (The Company) is a public limited company domiciled India and incorporated under the provisions of Companies Act, 1956. The Company is engaged in the manufacturing of Plastic Molded furniture and other articles. The Company was incorporated on March 16, 1992 and has its registered office at Kodiyat Road, Sisarma, Udaipur (Rajasthan). The Company shares are listed on National Stock Exchange and Bombay Stock Exchange.

NOTE 2 - SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

NOTE 3 - BASIS OF PREPARATION

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 17 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of

assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Property, Plant and Equipment – Tangible Assets

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any.

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All up gradation/enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

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

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Land is not depreciated.

The estimated useful lives of property, plant and equipment of the Company are as follows:

Buildings	30 Years
Plant and equipment	25 Years
Furniture and fixtures	10 Years
Vehicles	8 Years
Office equipment	5 Years
Intangible assets	3 Years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

Intangible Assets

Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

- a. for assets acquired in a business combination or by way of a government grant, at fair value on the date of acquisition/grant
- b. for separately acquired assets, at cost comprising the purchase price (including import duties and nonrefundable taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated assets for which the cost is clearly identifiable are capitalised at cost. Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets. Internally generated brands, websites and customer lists are not recognised as intangible assets.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law (e.g., patents, licenses, trademarks, franchise and servicing rights) or the likelihood of technical, technological obsolescence (e.g., computer software, design, prototypes) or commercial obsolescence (e.g., lesser known brands are those to which adequate marketing support may not be provided). If, there are no such limitations, the useful life is taken to be indefinite. Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset. An intangible asset with an indefinite useful life is not amortized.

All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal

of impairment losses are taken to the Statement of Profit and Loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortization and/or impairment losses.

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

Inventories

- (a) The valuation is on the basis of F I F O method.
- (b) Raw Materials, Stores and Spare Parts, Colors and Pigments etc. and Stock in transit are valued at cost.
- (c) Finished Goods and Work-in-Process are valued at estimated cost or net realizable value whichever is lower.
- (d) Scrap is valued at net realizable value.

Foreign Currency Transactions

The functional and presentation currency of the Company is Indian Rupee.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.

Exchange differences arising on monetary items that, in substance, form part of the Company's net investment in a foreign operation (having a functional currency other than Indian Rupee) are accumulated in Foreign Currency Translation Reserve.

Financial instruments, Financial assets, Financial liabilities and Equity instruments.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and 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 measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date when the Company commits to purchase or sell the asset.

Financial Assets

Recognition

Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at

- (a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest.
- (b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- (c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular

investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Reclassification

When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition

Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition

Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption/settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

Revenue

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers. Revenue from the sale of goods includes duties which the Company pays as a principal but excludes amounts collected on behalf of third parties, such as goods and service tax.

Revenue from the sale of goods is recognised when significant risks and rewards of ownership/control have been transferred to the customer, which is mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration is probable. Revenue from services is recognised in the periods in which the services are rendered.

Government Grant

The Company may receive government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria.

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant. Accordingly, government grants:

- (a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.
- (b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
- (c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

Employee Benefits

i) Short-term Employee benefits

Liabilities for wages and salaries including nonmonetary 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 classified as short term employee benefits and are recognized as an expense in the Statement of Profit and Loss as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii) Post-Employment Benefits Defined Contribution Plans

Payments made to a defined contribution plan such as Provident Fund maintained with Regional Provident Fund Office and Superannuation Fund are charged as an expense in the Statement of Profit and Loss as they fall due.

Defined Benefit Plans

Gratuity Fund

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Gratuity is payable to all eligible employees on death or on separation/termination in terms of the provisions of the payment of the Gratuity (Amendment) Act, 1997 or as per the Company's scheme whichever is more beneficial to the employees.

Provident Fund

The contributions to the Provident Fund of employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

iii) Other Long Term Employee Benefits

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by the employees upto the end of the reporting period using the projected unit credit method

Re-measurements are recognised in profit or loss in the period in which they arise. Actuarial gains and losses in respect of such benefits are charged to Statement of Profit and Loss in the period in which they arise.

Leases

Leases are recognised as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as a Lessee

Assets used under finance leases are recognised as property, plant and equipment in the Balance Sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and a liability is recognised for an equivalent amount.

The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

Taxes on Income

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities

are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

Financial and Management Information Systems

The Company's Accounting System is designed to comply with the relevant provisions of the Companies Act, 2013, to provide financial information appropriate to the businesses and facilitate Internal Control.

Use of estimates and judgements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is 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.

A. Judgements in applying accounting policies

The judgements, apart from those involving estimations (see note below), that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of intangible assets. The Company is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement. Certain trademarks have been considered of having an indefinite useful life taking into account that there are no technical, technological or commercial risks of obsolescence or limitations under

contract or law. Other trademarks have been amortized over their useful economic life. Refer notes to the financial statements.

B. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key 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 within the next financial year.

1. Useful lives of property, plant and equipment and intangible assets:

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

2. Fair value measurements and valuation processes:

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation.

Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.

3. Actuarial Valuation:

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

4. Claims, Provisions and Contingent Liabilities:

In the case of litigations where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

NOTE 4 - PROPERTY, PLANT AND EQUIPMENT

₹ in Lakhs

Particulars	Owned Assets							Total
	Land- Free hold	Building	Plant and Equipment	Moulds	Furniture and fixtures	Vehicles	Office Equipments	
Year ended March, 2025								
GROSS CARRYING AMOUNT								
Opening gross carrying amount	511.43	1,405.51	1,246.74	3,865.21	7.22	60.95	53.00	7,150.06
Additions	16.25	88.11	544.39	1,140.43	1.98	0.15	23.26	1,814.57
Disposals/Adjustment	-	-	113.67	1,653.94	-	-	-	1,767.61
Closing gross carrying amount	527.68	1,493.62	1,677.46	3,351.70	9.20	61.10	76.26	7,197.02
ACCUMULATED DEPRECIATION								
Opening accumulated depreciation	-	585.79	704.45	2,736.54	2.07	15.06	29.70	4,073.61
Depreciation charged during the year	-	40.93	32.70	56.99	0.75	7.25	9.52	148.14
Disposals/Adjusments	-	-	88.88	1,301.34	-	-	-	1,390.22
Closing accumulated depreciation	-	626.72	648.27	1,492.19	2.82	22.31	39.22	2,831.53
Net carrying amount	527.68	866.90	1,029.19	1,859.51	6.38	38.79	37.04	4,365.49
Year ended March, 2024								
GROSS CARRYING AMOUNT								
Opening gross carrying amount	11.43	753.00	1,031.54	3,665.69	5.55	54.82	43.07	5,565.10
Additions	500.00	652.51	215.20	206.52	1.67	15.37	9.93	1,601.20
Disposals/Adjustment	-	-	-	7.00	-	9.24	-	16.24
Closing gross carrying amount	511.43	1,405.51	1,246.74	3,865.21	7.22	60.95	53.00	7,150.06
ACCUMULATED DEPRECIATION								
Opening accumulated depreciation	-	565.82	689.32	2,696.92	1.57	17.10	23.29	3,994.02
Depreciation charged during the year	-	19.97	15.13	42.01	0.50	6.75	6.41	90.77
Disposals/Adjusments	-	-	-	2.39	-	8.79	-	11.18
Closing accumulated depreciation	-	585.79	704.45	2,736.54	2.07	15.06	29.70	4,073.61
Net carrying amount	511.43	819.72	542.29	1,128.67	5.15	45.89	23.30	3,076.45

NOTE 5 - INTANGIBLE ASSETS

₹ in Lakhs

Particulars	Owned Assets	
	Software	Total
Year ended March, 2025		
GROSS CARRYING AMOUNT		
Opening gross carrying amount	32.18	32.18
Additions	0.69	0.69
Disposals/Adjustment	-	-
Closing gross carrying amount	32.87	32.87

NOTE 5 - INTANGIBLE ASSETS (Contd.)

₹ in Lakhs

Particulars	Owned Assets	
	Software	Total
ACCUMULATED DEPRECIATION		
Opening accumulated depreciation	18.43	18.43
Depreciation charged during the year	1.56	1.56
Disposals/Adjustments	-	-
Closing accumulated depreciation	19.99	19.99
Net carrying amount	12.88	12.88
Year ended March, 2024		
GROSS CARRYING AMOUNT		
Opening gross carrying amount	20.16	20.16
Additions	12.02	12.02
Disposals/Adjustment	-	-
Closing gross carrying amount	32.18	32.18
ACCUMULATED DEPRECIATION		
Opening accumulated depreciation	17.13	17.13
Depreciation charged during the year	1.30	1.30
Disposals/Adjustments	-	-
Closing accumulated depreciation	18.43	18.43
Net carrying amount	13.75	13.75

Note:

- (a) There are no immovable Properties whose title deeds are not in the name of the Company.
- (b) The Company has not revalued Property, Plant and Equipment.
- (c) The Company has not revalued its intangible assets.
- (d) The Company do not have any capital work-in-progress.
- (e) There is no intangible assets under development.

NOTE 6 - NON-CURRENT ASSETS (INVESTMENTS)

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Unquoted - 1421 (P.Y. 1421) compulsorily convertible preference shares each of ₹ 10 in Atmosphere Workspace Solutions Private Limited	248.93	248.93
Total	248.93	248.93

Note 6.1

Subject to Applicable Laws, the CCPS shall be converted in the ratio of 1 (one) Equity Share for 1 (one) CCPS ("CCPS Conversion Ratio"), at any time at the option of the holder of the CCPS.

NOTE 7 - OTHER NON-CURRENT FINANCIAL ASSETS

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Security deposits	63.33	61.97
Total	63.33	61.97

NOTE 8 - CURRENT ASSETS (INVENTORIES)

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Lower of cost or net realizable value		
(a) Raw material	467.08	540.68
(b) Work-in-progress	65.29	76.81
(c) Finished goods	870.25	806.47
(d) Stock-in-trade	93.94	217.93
(e) Stores and spares	48.14	44.69
(f) Packing material	121.77	94.66
Total	1,666.47	1,781.24

NOTE 9 - TRADE RECEIVABLES (AT AMORTIZED COST)

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables - considered good secured	-	-
Trade receivables - considered good unsecured	563.59	652.83
Trade receivables which have significant increase in credit risk		
Trade receivables - credit impaired		
Trade receivables - considered doubtful - unsecured	337.57	337.57
	-	-
Total	901.16	990.40
Less: Allowances for doubtful receivables	337.57	337.57
Total	563.59	652.83

Note 9.1

No trade receivables are due from directors of other officers of the company or any of them either severally or jointly with any other person. Further, no trade receivables are due from firms or private companies in which any director is a partner, a director or a member.

Trade receivables ageing schedule for the year ended as on March 31, 2025

₹ in Lakhs

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 month	6 months to 1 year	1 year to 2 year	2 year to 3 year	More than 3 year	Total
Trade receivables - considered good - unsecured	317.99	226.73	2.87	10.02	5.98	-	563.59
Trade receivables - which have significant increase in credit risk - unsecured	-	-	-	-	-	-	-
Trade receivables - credit impaired - unsecured	-	-	-	-	-	-	-
Trade receivables - considered doubtful - unsecured	-	-	-	-	-	337.57	337.57
Total	317.99	226.73	2.87	10.02	5.98	337.57	901.16

Trade receivables ageing schedule for the year ended as on March 31, 2024

₹ in Lakhs

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 month	6 months to 1 year	1 year to 2 year	2 year to 3 year	More than 3 year	
Trade receivables - considered good - unsecured	434.84	196.21	8.78	2.63	9.49	0.88	652.83
Trade receivables - which have significant increase in credit risk - unsecured	-	-	-	-	-	-	-
Trade receivables - credit impaired - unsecured	-	-	-	-	-	-	-
Trade receivables - considered doubtful - unsecured	-	-	-	-	-	337.57	337.57
Total	434.84	196.21	8.78	2.63	9.49	338.45	990.40

NOTE 10 - CASH AND CASH EQUIVALENTS

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks in current accounts	32.67	3.92
Cash on hand	5.23	2.76
Total	37.90	6.68

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

NOTE 11 - BANK BALANCES (OTHER THAN CASH AND CASH EQUIVALENTS)

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks in fixed deposit (Fixed deposit having maturity more than three month, less than 12 Month)	214.96	181.66
Total	214.96	181.66

Note 11.1

Balance includes accrued interest on FDR ₹ 1.85 Lakhs (P.Y. 1.28 Lakhs)

Note 11.2

FDR's of ₹ 192.06 Lakhs pledged to ICICI towards Overdraft of ₹ 2.22 Lakhs to ICICI towards Credit Card and of ₹ 18.40 Lakhs to DNH DD Power Distribution Corporation Limited towards electricity.

NOTE 12 - LOANS (AT AMORTIZED COST) - CURRENT

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Loans and advances to employees - considered good - unsecured	10.64	7.69
Loans and advances to employees - considered doubtful - unsecured	-	-
Loan to others - considered good - unsecured	2,279.03	3,333.17
Loan to others - considered doubtful - unsecured	-	-
Total	2,289.67	3,340.86

Note 12.1

No loan given to Promoters, Directors, Key Managerial personnel and related parties.

NOTE 13 - CURRENT TAX ASSETS

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Income tax refund	-	64.78
Total	-	64.78

NOTE 14 - OTHER ASSETS

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered goods		
Prepaid expenses	7.36	6.10
Others	187.40	203.77
Balances with government authorities	54.76	71.41
Total	249.52	281.28

NOTE 15 - EQUITY SHARE CAPITAL

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	Amount (₹ in Lakhs)	No. of Shares	Amount (₹ in Lakhs)
Authorised				
Equity shares of ₹ 1 each	25,00,00,000	2,500.00	25,00,00,000	2,500.00
Total	25,00,00,000	2,500.00	25,00,00,000	2,500.00
Issued, subscribed and fully paid up				
Equity shares of ₹ 1 each	23,50,00,000	2,350.00	23,50,00,000	2,350.00
Total	23,50,00,000	2,350.00	23,50,00,000	2,350.00

Note 15.1 - Reconciliation of No. of Shares

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	Amount (₹ in Lakhs)	No. of Shares	Amount (₹ in Lakhs)
Shares outstanding at the beginning of the year	23,50,00,000	2,350.00	23,50,00,000	2,350.00
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	23,50,00,000	2,350.00	23,50,00,000	2,350.00

Note 15.2 - Names of Share Holders holding more than 5%

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Equity Shares	%	No. of Equity Shares	%
DA Trade Tech Private limited	11,74,00,000	49.96	11,74,00,000	49.96

Note 15.3 - Shares held by promoter at the end of the year

Promoter Name	No. of Shares	% of total shares	% changes during the year
Daud Ali	3,16,200	0.13	-
DA Trade Tech Private limited	11,74,00,000	49.96	-

Note: Same in previous year and no changes during the year.

Note 15.4

No Bonus Shares allotted during the period of five years immediately preceding the year.

Note 15.5

Other Disclosures - The Company has one class of equity shares havin a par value @ ₹ 1 per share held. Each equity share holder is entitled to dividends as and when declared by the company. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amount in proportion to their share holding.

The Company has not allotted any bonus shares during the period of five years immediately preceeding March 31, 2025.

The Company has not allotted any shares pursuant to contract without payment being received in cash.

There are no call unpaid on equity shares.

No shares have been reserved for issue on option.

No equity shares have been forfeitted,

NOTE 16 - OTHER EQUITY

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
1. SECURITIES PREMIUM		
As per the last year accounts	4,036.00	4,036.00
Add: Addition during the year	-	-
	4,036.00	4,036.00
2. GENERAL RESERVE		
As per the last year accounts	25.13	25.13
3. RETAINED EARNINGS		
As per the last year accounts	1,007.07	545.12
Add: Surplus for the year	524.26	461.95
	1,531.33	1,007.07
TOTAL	5,592.46	5,068.20

1) Share Premium:

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve is utilised in accordance with the provisions of the Act.

2) General Reserve:

This includes the amount received from the Government under an incentive scheme for capital expansion and on the expiry of requisite period, the amount was transferred to it.

3) Retained Earnings:

This Reserve represents the cumulative profits of the Company and effects of re-measurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

NOTE 17 - BORROWINGS (NON-CURRENT)

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Secured - UCO Bank:		
Covid emergency credit loan	16.28	35.33
Car loan	23.62	29.82
Total	39.90	65.15

(a) Covid emergency credit from UCO Bank:

Secured against equitable mortgage of land and building of the company situated at Kodiyat Road, Udaipur and by way of first charge of all current assets such as Raw Material, finished goods, work-in-progress, stores and spares, book debts and packing material etc. Also secured by way of personal guarantee of Mr. Daud ali, Managing Director of the company. Rate of Interest on Covid Emergency Credit as on 31.03.2025 is 9.25%, Monthly Instalment is ₹ 1.87 Lakhs and Last Instalment is on 28th November 2026.

(b) Car Loan from UCO Bank:

Secured against hypothecation of Car No. MH01DT5202 and rate of interest is 9.70% and personal guarantee of Mr. Daud Ali, Managing Director of the Company. Monthly instalment is ₹ 0.56 Lakhs and Last Instalment is on 28th July 2028.

Secured against hypothecation of Car No. RJ27CM6324 and rate of interest is 9.05% Monthly instalment is ₹ 0.22 Lakhs and Last Instalment is on 12th October 2030.

(c) There is no default in the payment of interest and principal.

NOTE 18 - BORROWINGS (CURRENT)

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
Current maturities of long term borrowings	26.31	26.04
Repayable on demand		
From banks		
UCO Bank		
Cash credit facilities	843.36	1,369.46
ICICI Bank		
Overdraft	37.35	100.15
Total	907.02	1,495.65

(a) Cash Credit from UCO Bank:

Secured against equitable mortgage of land and building of the company situated at Kodiyat Road, Udaipur and by way of first charge of all current assets such as Raw Material, finished goods, work-in-progress, stores and spares, book debts and packing material etc. Also secured by way of personal guarantee of Mr. Daud ali, Managing Director of the company. Rate of interest on cash credit as on 31.03.2025 is 10.45% p.a.

(b) Overdraft from ICICI Bank:

Secured against fixed deposit receipt of the company, rate of interest as on 31.03.2025 is 8.70% p.a.

(c) There is no default in the payment of interest and principal.

NOTE 19 - TRADE PAYABLES

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding of creditors micro and small enterprises	-	-
Total outstanding of creditors other than micro and small enterprises	101.79	207.21
Total	101.79	207.21

Disputed Dues (MSME and Others): **NIL**

Trade payables ageing schedule for the year ended as on March 31, 2025

₹ in Lakhs

Particulars	Not due	Less than one year	1 year to 2 year	2 year to 3 year	More than 3 year	Total
Un-disputed - outstanding dues to micro and small enterprises	-	-	-	-	-	-
Un-disputed - others	94.02	1.12	6.65	-	-	101.79
Disputed - outstanding dues to micro and small enterprises	-	-	-	-	-	-
Disputed - others	-	-	-	-	-	-

Trade payables ageing schedule for the year ended as on March 31, 2024

₹ in Lakhs

Particulars	Not due	Less than one year	1 year to 2 year	2 year to 3 year	More than 3 year	Total
Un-disputed - outstanding dues to micro and small enterprises	-	-	-	-	-	-
Un-disputed - others	195.98	10.63	0.58	-	0.02	207.21
Disputed - outstanding dues to micro and small enterprises	-	-	-	-	-	-
Disputed - others	-	-	-	-	-	-

NOTE 20 - OTHER CURRENT LIABILITIES

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory remittances	61.43	30.65
Other payables	270.86	259.56
Total	332.29	290.21

NOTE 21 - PROVISIONS

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for leave encashment of employees	41.18	31.82
Total	41.18	31.82

NOTE 22 - TAX PROVISIONS

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Income tax payable	48.71	-
Total	48.71	-

NOTE 23 - REVENUE FROM OPERATIONS

₹ in Lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Sale of products	9,799.77	9,448.63
Interest	215.13	274.63
Revenue from operations	10,014.90	9,723.26

NOTE 24 - OTHER INCOME

₹ in Lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on income tax refund	3.01	-
Profit on sale of property, plant & equipment	65.27	1.93
Total	68.28	1.93

NOTE 25 - COST OF MATERIAL CONSUMED

₹ in Lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening stock	540.68	514.97
Add: Purchases	5,275.74	5,419.64
Less: Closing stock	467.08	540.68
Total	5,349.34	5,393.93

NOTE 26 - PURCHASE OF TRADED GOODS

₹ in Lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Purchases	262.88	363.87
Total	262.88	363.87

NOTE 27 - CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS

₹ in Lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Inventories at the end of the year:		
Finished goods	870.25	806.47
Work-in-progress	65.29	76.81
Stock-in-trade	93.94	217.93
	1,029.48	1,101.21
Inventories at the beginning of the year:		
Finished goods	806.47	833.56
Work-in-progress	217.93	54.70
Stock-in-trade	76.81	140.60
	1,101.21	1,028.86
Net (increase)/decrease	71.73	(72.35)

NOTE 28 - EMPLOYEE BENEFITS EXPENSES

₹ in Lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries and wages	1,055.94	862.38
Contributions to provident and other funds	58.18	52.37
Staff welfare expenses	20.77	13.37
Total	1,134.89	928.12

Refer note 34

NOTE 29 - FINANCE COSTS

₹ in Lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on borrowing	148.55	95.29
Processing fees for cash credit limits	5.60	5.25
Total	154.15	100.54

NOTE 30 - DEPRECIATION AND AMORTIZATION EXPENSES

₹ in Lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation expenses	148.14	90.77
Amortization expenses	1.56	1.30
Total	149.70	92.07

NOTE 31 - OTHER EXPENSES

₹ in Lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Consumption of stores and spare parts	89.27	72.62
Consumption of packing materials	417.83	460.64
Power and fuel	346.31	349.72
Lease rentals	53.06	206.55
Job charges	20.42	16.20
Other manufacturing expenses	37.19	71.39
Listing fees	5.85	5.85
Other miscellaneous expenses	10.73	9.93
Rent	97.92	82.46
Bank charges and commission	4.47	5.61
Advertisement and publicity expenses	120.81	109.77
Repairs and maintenance - buildings	7.39	6.73
Repairs and maintenance - others	13.86	4.73
Insurance	11.75	8.49
Communication	14.49	9.39
Travelling and conveyance	203.40	145.75
Printing and stationery	3.64	3.31
Freight and forwarding	339.85	256.53
Sales expenses	47.71	50.59
Business promotion expenses	163.48	162.71
Rebate, claim and discount	135.63	180.17
Commission on sales	41.57	51.67
Corporate social responsibility	9.01	-
Legal and professional	63.30	27.75
Payments to auditors		
As auditor	0.40	0.40
As certification	0.23	0.26
Total	2,259.57	2,299.22

NOTE 32 - EARNING PER SHARE

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
1) Profit after tax attributable to owners of the company (₹ in Lakhs)	524.26	461.95
2) Earning used in the calculation of basic earnings for the year (₹ in Lakhs)	524.26	461.95
3) Weighted average number of equity shares used as denominator for calculating Basic EPS	23,50,00,000	23,50,00,000
4) Weighted average number of equity shares and convertible warrants used as denominator for calculating diluted EPS	23,50,00,000	23,50,00,000
5) Basic earnings per share (in ₹)	0.22	0.20
6) Diluted earning per share (in ₹)	0.22	0.20

NOTE 33 - CONTINGENT LIABILITIES

₹ in Lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Penalty imposed by the enforcement directorate - Net of deposit under protest - subjudiced at High Court, Jodhpur	122.00	122.00

NOTE 34 - RETIREMENT AND OTHER EMPLOYEE BENEFITS**(a) Family pension scheme**

The contribution are based on fixed percentage of the employees salary, subject to a ceiling as prescribed in the scheme.

Defined Benefit plans**(a) Provident Fund**

The contribution are based on fixed percentage of the employees salary.

Contribution to defined contribution plan, recognised as expenses for the year is as under

₹ in Lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Employers contribution to provident fund	23.02	18.82
Employers contribution to pension fund	24.13	23.14
Employers contribution to EDLI	1.57	1.43
Employers contribution to national pension scheme	7.43	6.59
Employers contribution to ESI	2.03	2.39
Total	58.18	52.37

(b) Gratuity Plan

The Company participates in the Employees Group Gratuity-scheme of life insurance corporation limited, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation/termination in terms of the payment of gratuity (amendment) Act, 1997, or as per the company's scheme whichever is more beneficial to the employees.

NOTE 35 - SEGMENTAL REPORTING

The Company has identified two reportable segment i.e Manufacturing and finance taking in to account nature of product. The accounting policies adopted for segment reporting are in line with accounting policy of the company.

Segment-wise Revenue, Results and Capital Employed

₹ in Lakhs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Segment Revenue		
1 Manufacturing	9,799.77	9,448.63
2 Finance	215.13	274.63
Gross value of sales and services	10,014.90	9,723.26
Less: Inter segment transfers	-	-
Revenue from operation	10,014.90	9,723.26
Other income	68.28	1.93
Total revenue	10,083.18	9,725.19
Segment results		
1 Manufacturing	642.73	534.86
2 Finance	144.06	183.54
Total segment results	786.79	718.40
Other income	68.28	1.93
Profit before Interest and tax	855.07	720.33
Less: Interest	154.15	100.54
Profit before tax	700.92	619.79
Provision for tax		
Income tax	76.33	1.47
Deferred tax	97.20	156.37
Profit after tax	527.39	461.95
Segment assets		
1 Manufacturing	7,433.71	6,377.26
2 Finance	2,279.03	3,333.17
Total	9,712.74	9,710.43
Segment liabilities		
1 Manufacturing	1,767.15	2,292.23
2 Finance	-	-
Total	1,767.15	2,292.23
Capital employed	7,945.59	7,418.20
Capital expenditure		
Manufacturing	1,815.26	1,613.22
Depreciation and amortization		
Manufacturing	149.70	92.07

NOTE 36 - CURRENT TAX, DEFERRED TAX AND DEFERRED TAX ASSETS

The major components for the year ended March 31, 2025 are as under

Tax Reconciliations

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Tax expenses recognised in the statement of profit and loss		
Current tax:		
Current tax on profits for the year	79.46	1.47
Deferred tax (Net)	97.20	156.37
Total income tax (deferred tax) expenses	176.66	157.84

Reconciliation of tax expenses and the accounting profit

The reconciliation between estimated income tax at statutory income tax rate into income tax expenses reported in Statement of Profit and Loss is given below:

₹ in Lakhs		
Particulars	As at March 31, 2025	As at March 31, 2024
Profit before income tax	700.92	619.79
Indian statutory income tax rate	25.168%	25.168%
Expected income tax expenses	176.41	155.99
Tax effect of adjustment to reconcile expected income tax expenses to reported income tax expenses		
Tax impact of income not subject to tax	-	-
Tax impact due to 43 B of income tax act	2.36	1.72
Tax effects of amounts which are not deductible for taxable income		
Additional tax paid on book profits	-	-
Others	(99.31)	(156.24)
	(96.95)	(154.52)
Total income tax expenses	79.46	1.47

Deferred Tax (Liabilities)

₹ in Lakhs		
Particulars	As at March 31, 2025	As at March 31, 2024
Property plant and equipment and others	299.39	202.19
Total deferred tax liabilities	299.39	202.19

Movement in Deferred tax Assets

₹ in Lakhs					
Particulars	Property, plant and equipment	Other deferred tax liability	MAT	Other Deferred Tax Assets	Deferred Tax Liabilities/ Asset (Net)
As at 31 st March, 2023	(51.58)	-	-	5.76	(45.82)
(Charged)/Credited to profit and loss account	(158.09)	-	-	1.72	(156.37)
As at 31 st March, 2024	(209.67)	-	-	7.48	(202.19)
(Charged)/Credited to profit and loss account	(98.73)	-	-	1.53	(97.20)
As at 31 st March, 2025	(308.40)	-	-	9.01	(299.39)

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

The Company has opted taxation under Section 115 BAA of income tax act, as per provisions of this section minimum alternate tax is not payable.

NOTE 37 - FINANCIAL INSTRUMENTS

Financial Instruments and Related Disclosures:

1. Capital Management

The Company's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Company funds its operations through internal accruals. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt and adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current borrowing	39.90	65.15
Current borrowing	907.02	1,495.65
Gross debt	946.92	1,560.80
Less: Cash and cash equivalents	37.90	6.68
Less: Other bank deposits	214.96	181.66
Adjusted net debt (A)	694.06	1,372.46
Total equity (B)	7,942.46	7,418.20
adjusted net debt to equity ratio	8.74%	18.50%
Total capital (A+B)	8,636.52	8,790.66
Gearing ratio*	11.92%	21.04%

*The Company's Ideal gearing ratio is 11.92% to 21.04%.

2. Categories of Financial Instruments

₹ in Lakhs

Particulars	Note	As at March 31, 2025		As at March 31, 2024	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets (measured at amortised cost)					
(i) Cash and cash equivalent	10	37.90	37.90	6.68	6.68
(ii) Other bank balance	11	214.96	214.96	181.66	181.66
(iii) Trade receivables	9	563.59	563.59	652.83	652.83
(iv) Other financial assests	7 & 14	312.85	312.85	343.25	343.25
Total financial assets		1,129.30	1,129.30	1,184.42	1,184.42
Financial liabilities (measured at amortised cost)					
(i) Trade payables	19	101.79	101.79	207.21	207.21
(ii) Cash credit facilities	18	843.36	843.36	1,369.46	1,369.46
(iii) Term loan - non-current	17	39.90	39.90	65.15	65.15
Total financial liabilities		985.05	985.05	1,641.82	1,641.82

3. Financial Risk Management

The activities of the Company exposes it to a number of financial risks namely market risk, credit risk and liquidity risk. The Company seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance. The Company does regularly monitor, analyze and manage the risks faced by the Company and to set and monitor appropriate risk limits and controls for mitigation of the risks.

A. Management of Market Risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks: interest rate risk, price risk and currency rate risk. Financial instruments affected by market risk includes borrowings and investments. The Company has international trade operations and is exposed to a variety of market risks, including currency and interest rate risks.

(i) Management of interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any exposure to interest rate risks since its borrowing and investment are all in fixed rate instruments.

(ii) Management of price risk:

The Company has no surplus for investment in debt mutual funds, deposits etc. The Company does make deposit with the banks to provide security against Overdrafts given by the banks. Deposit is made in fixed rate instrument. In view of this it is not susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments.

B. Management of Credit Risk:

Credit risk refers to the risk of default on its obligations by a counterparty to the Company resulting in a financial loss

to the Company. The Company is exposed to credit risk from its operating activities (trade receivables) and foreign exchange transactions and financial instruments.

Credit risk from trade receivables is managed through the Company's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Company extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed.

The Company's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. Loss allowances and impairment is recognised, where considered appropriate by responsible management.

C. Management of Liquidity Risk:

Liquidity risk is the risk that the Company may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Company's objective is to maintain at all times, optimum levels of liquidity to meet its obligations. The Company closely monitors its liquidity position and has a cash management system. The Company maintains adequate sources of financing including debt and overdraft from domestic and international banks and financial markets at optimized cost.

The Company's Current assets aggregate to ₹ 5022.11 Lakhs (2024 – ₹ 6309.33 Lakhs;) including Cash and cash equivalents and Other bank balances of ₹ 37.90 Lakhs (2024 – ₹ 6.68 Lakhs) against an aggregate Current liability of ₹ 1427.86 Lakhs (2024 – ₹ 2024.89 Lakhs); Non-current liabilities due between one year to three years amounting to ₹ 39.90 Lakhs (2024 – ₹ 65.15 Lakhs) and Non-current liability due after three years amounting to ₹ NIL (2024 – NIL;) on the reporting date. Further, while the Company's total equity stand 7945.59 Lakhs (2024 – ₹ 7418.20 Lakhs), it has non-current borrowings of ₹ 39.90 Lakhs (2024 – 65.15 Lakhs). In such circumstances, liquidity risk or the

risk that the Company may not be able to settle or meet its obligations as they become due does not exist.

D. Fair value measurement

Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

Level 2: Inputs other than quoted price included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

₹ in Lakhs

Particulars	Note	As at March 31, 2025		As at March 31, 2024	
		Fair Value		Fair Value	
Financial assets (measured at amortised cost)					
(i) Cash and cash equivalent	L2	37.90	37.90	6.68	6.68
(ii) Other bank balance	L2	214.96	214.96	181.66	181.66
(iii) Trade receivables	L2	563.59	563.59	652.83	652.83
(iv) Other financial assests	L2	312.85	312.85	343.25	343.25
Total financial assets		1,129.30	1,129.30	1,184.42	1,184.42
Financial liabilities (measured at amortised cost)					
(i) Trade payables	L2	101.79	101.79	207.21	207.21
(ii) Cash credit facilities	L2	843.36	843.36	1,369.46	1,369.46
(iii) Term loan - non-current	L2	39.90	39.90	65.15	65.15
Total financial liabilities		985.05	985.05	1,641.82	1,641.82

NOTE 38

The Company has not been declared wilful defaulter by any bank and institution.

NOTE 39

No charges are pending to be created with Registrar of Companies and no satisfaction of charges is pending.

NOTE 40 - RATIOS

The following are analytical ratios for the year ended March 31, 2025 and March 31, 2024

Particulars	Numerator	Denominator	31 st March 2025	31 st March 2024	Variance	Remark
Current ratio	Current assets	Current liabilities	3.51	3.11	12.86%	
Debt - equity ratio	Total debt	Shareholder's equity	0.22	0.31	-29.03%	Decrease in debts
Debt service coverage ratio	EBITDA	Interest plus principal	5.56	6.41	-13.26%	
Return on equity (ROE)	Net profits after taxes	Average shareholder's equity	6.86%	6.43%	6.69%	
Inventory turnover ratio	Sale of products	Average inventory	5.68%	5.49%	3.46%	
Trade receivables turnover ratio	Revenue	Average trade receivable	16.11	15.16	6.27%	
Trade payables turnover ratio	Net credit purchases	Average trade payables	35.84	21.29	68.34%	Decrease in trade payables
Net capital turnover ratio	Net sales	Working capital	2.72	2.20	23.64%	
Net profit ratio	Net profits after taxes	Net sales	5.38%	4.89%	10.02%	
Return on capital employed (ROCE)	EBITDA	Capital employed	12.12%	10.57%	14.66%	
Return on investment (ROI) Unquoted	Income generated from investments	Time weighted average investments	No income generated from investment.			

NOTE 41

The company has utilized funds for the purpose for which they were borrowed.

NOTE 42

Utilisation of Borrowed funds and share premium:

- (a) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other source or kind of funds) to any other person(s) or entity(is), including foreign entities (intermediaries) with the understanding (whether recorded in writing or otherwise) the the Intermediary (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.
- (b) The Company has not received any fund from any other person(s) or entity(ies), including foreign entities (intermediaries) 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 to or on behalf of the Ultimate Beneficiaries.

NOTE 43

No scheme of arrangement has been approved by the competent authority in terms of sections 230 to 237 of the Companies Act 2013.

NOTE 44

The Company has borrowings from banks on the basis of security of current assets and the quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

NOTE 45

There is no transaction not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Further there is no previously unrecorded income and related assets requiring recording in the books of account during the year.

NOTE 46

The Company has no transactions with struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act., 1956.

NOTE 47 - RELATED PARTY DISCLOSURE

Disclosures in respect of related parties pursuant to Ind AS 24

Key managerial personnel

- (1) Mr. Daud Ali
(2) Mr. Narendra Bhanawat
(3) Mr. Rajat Raja Kothari

During the year following transactions were carried out with the related parties in the ordinary course of business at arm length price

		₹ in Lakhs	
Name of related party	Nature of relation	As at March 31, 2025	As at March 31, 2024
Remuneration	Key managerial personnel	60.92	59.00
Closing balances			NIL

No amount in respect of the related parties have been written off/back are provided for during the year.

Related party relationship has been identified by the Management and relied upon by the auditors.

NOTE 48

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues (principal and/or interest), which are outstanding for more than 45 days as at the balance sheet date. During the year, there have been no payments made to Micro, Small and Medium Enterprises beyond 45 days. There were no amounts on account of interest due that were payable for the period where the principal has been paid but interest under the MSMED Act, 2006 not paid. Further, there were no amounts towards interest accrued that were remaining unpaid at the end of accounting year. Accordingly, there were no amounts due to further interest due and payable in the succeeding years.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

₹ in Lakhs

Information relating to the Micro, Small and Medium Enterprises		As at March 31, 2025	As at March 31, 2024
(a)	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year;	-	-
(b)	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

NOTE 49

Balances of banks, sundry debtors and trade payables, current liabilities etc. as on March 31, 2025 are subject to confirmation and reconciliation.

NOTE 50

No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made there under.

NOTE 51

Corporate Social Responsibility (CSR)

₹ in Lakhs

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Amount required to be spent by the company during the year	9.01	-
(ii) Amount of expenditure incurred	9.01	-
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reasons for shortfall	Not applicable	Not applicable
(vi) Nature of CSR activities	-	-
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above	-	-
Health	-	-
Education	9.01	-

(vii) Details of related party transactions: **NIL**

(viii) The Company does not carry any provisions for corporate social responsibility expenses for the current year and the previous year.

NOTE 52

The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

NOTE 53

In the opinion of the Management, there is no impairment of assets in accordance with the Ind AS -36 as on the Balance Sheet date.

NOTE 54

There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013 as at the year end.

NOTE 55

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

NOTE 56

The financial statements were authorised for issue by the Board of Directors on 12.05.2025.

NOTE 57

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

NOTE 58

Previous year's figures have been reclassified/regrouped wherever necessary to conform with the current year's Financial Statements.

NOTE 59

The Company has used the borrowings from banks for the specific purpose for which it was taken at the balance sheet date.

NOTE 60

The Company has done an assessment to Identify Core Investment Company (CIC) [including CICs in the Company] as per the necessary guidelines of Reserve Bank of India [including Core Investment Companies (Reserve Bank) Directions, 2016]. The Company is not a CIC and no entities have been identified as CIC in the Group, of which Company is a part.

NOTE 61

The Company has assets (equipment etc.) with a lease term of 12 months or less. The Company applies the 'short term lease' recognition exemption for these leases. The company also has certain leases of assets of low value. The company applies 'low value lease' recognition exemption for these leases.

NOTE 62

The Parliament of India has approved the Code on Social Security, 2020 (the code) which may impact the contributions by the company towards provident fund, gratuity and ESIC. The ministry of labour and employment has released draft rules for the code on November 13, 2020. Final rules are yet to be notified. The Company will assess the impact of the Code when it comes into effect and will record related impact, if any.

NOTE 63

Maintenance of Books of account under Section 128 of the Companies Act, 2013. The Company has defined process to take daily back-up of books of account maintained electronically and complied with the provisions of the Companies (Accounts) Rules, 2014 (as amended).

For H.R.JAIN & CO.

Chartered Accountants
Firm Reg. No.: 000262C

For and on behalf of the Board of Directors

Sd/-

Manoj Jain

Partner

Membership No.: 400459

Sd/-

Daud Ali

Managing Director

DIN: 00185336

Sd/-

Rajat Raja Kothari

Company Secretary

M. No.: A51610

Sd/-

Narendra Bhanawat

Whole Time Director

Chief Financial officer

DIN: 00146824

Place of signature: Udaipur

Date: May 12, 2025

ICAI UDIN: 25400459BMKVYW6462



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