

ADITYA BIRLA



HGI

ANNUAL REPORT
2024-2025

HGI INDUSTRIES LIMITED

Management Team

DIRECTORS

Mr. Jyoti Prakash Kanoria (up to 23rd September, 2024)
Mr. Arvind Kumar Newar
Mr. Yashwant Kumar Daga (up to 23rd September, 2024)
Mr. Ravindra Kastia (up to 23rd September, 2024)
Mrs. Neha Agrawal (up to 10th June, 2024)
Mr. Jitendra Kumar Agarwal
Mr. Nikhil Agarwala
Mr. Rahul Goyal
Ms. Minakshi Jalan (w.e.f. 1st August, 2024)

REGISTERED OFFICE

Industry House
18th Floor,
10, Camac Street,
Kolkata - 700017

CHIEF EXECUTIVE OFFICER

Mr. Hukam Chand Daga

STATUTORY AUDITORS

M/s Ashok Amit & Co.
Chartered Accountants, Kolkata

CHIEF FINANCIAL OFFICER

Mr. Sushil Kumar Chandak

SECRETARIAL AUDITORS

M/s K. Arun & Co.
Company Secretaries, Kolkata

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Rakesh Sharma (up to 1st August, 2024)
Mr. Sumit Kundu (w.e.f. 2nd August, 2024)

BANKERS

HDFC Bank Limited

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Shareholder's Information

1. Annual General Meeting	
Date and Time	Thursday, 25 th September, 2025 at 11.30 a.m. (IST)
2. Financial Calendar	April, 2025 to March, 2026
Financial Year of the Company	1 st April to 31 st March
Financial reporting for the quarter ending June 30, 2025	By Second week of August, 2025
Financial reporting for the quarter ending September 30, 2025	By Second week of November, 2025
Financial reporting for the quarter ending December 31, 2025	By Second week of February, 2026
Financial reporting for the quarter ending March 31, 2026	By Second week of May, 2026
Annual General Meeting for the year ended March 31, 2026	August / September, 2026
3. Dates of Book Closure	Friday, 19 th September, 2025 to Thursday, 25 th September, 2025 (Both days inclusive)
4. Dividend Payment Date	N.A.
5. Registered Office	Industry House 18 th Floor, 10, Camac Street, Kolkata – 700 017 West Bengal, India Tel: +91 33 4455 5500 Fax: +91 33 4455 5537/47 Email: hgiho@adityabirla.com Website: www.hgiil.com
6. Corporate Identification Number (CIN)	L40200WB1944PLC011754
7. Listing on Stock Exchange at	Kolkata
8. Name of the Stock Exchange	The Calcutta Stock Exchange Limited 7, Lyons Range, Kolkata - 700001 Stock Code: 10018159 Note: Listing Fees for FY 2025-26 has been paid to The Calcutta Stock Exchange Limited as per their schedule and no amount is outstanding.
9. Name of Depositories	<p>1. National Securities Depository Ltd. 301, 3rd Floor, Naman Chambers, Plot No. C-32, Bandra Kurla Complex Bandra East, Mumbai – 400 051 Tel. : 022 4886-7000 E-mail: info@nsdl.com Website: https://nsdl.co.in</p> <p>2. Central Depository Services (India) Ltd. Marathon Futurex, 'A' Wing, 34th and 35th Floor, N.M. Joshi Marg, Lower Parel, Mumbai – 400 013 Tel.: 1800-21-09911 Email:helpdesk@cdslindia.com Website:www.cdslindia.com</p>
10. ISIN	INE 869B01018

Shareholder's Information

11.	Stock Price Data			
The Calcutta Stock Exchange Limited			(in ₹)	
	High	Low	Close	Av. Volume
FY 2024 - 25	-	-	-	-
Since there has been no trading during the year under review, the monthly data are not available and hence not furnished.				
12.	Registrar and Transfer Agents (Physical and Demat)		MCS Share Transfer Agent Limited 383, Lake Gardens, 1 st Floor, Kolkata – 700 045 Tel : +91 33 4072 4051/53 Fax: +91 33 4072 4050 E-Mail: mcssta@rediffmail.com	
13.	Share Transfer System		Share Transfers are registered normally within 15 days from the date of receipt, provided that the documents are complete in all respects. The total number of equity shares transferred in the physical form during the year was NIL (Previous year: NIL).	

Number of pending share transfers as on 31st March, 2025 is Nil.

14.	Investor Services: Complaints received during the year				
	Nature of Complaints	2024-25		2023-24	
		Received	Cleared	Received	Cleared
	1. Relating to Transfer, Transmission, Duplicate Share Certificate, Change of Address, etc.	-	-	-	-
	2. Dividends, Interest, Redemption, etc.	-	-	-	-
	3. Demat – Remat	-	-	-	-
	4. Others	1	1	-	-
	Total	1	1	-	-

Legal proceedings on share transfer issues, if any: There are no legal proceedings relating to transfer of shares.

Shareholder's Information

15. Distribution of Shareholding as on 31 st March, 2025				
Range	No. of shareholders		No. of Equity Shares	
	Total	%	Total	%
1– 500	1237	82.69	197101	5.20
501-1000	118	7.89	89859	2.37
1001-2000	77	5.15	106608	2.81
2001-3000	17	1.14	42253	1.12
3001-4000	8	0.53	28265	0.75
4001-5000	5	0.33	23362	0.62
5001-10000	12	0.80	81367	2.15
10001 and Above	22	1.47	3218840	84.98
Total	1496	100.00	3787655	100.00
Physical shares	821	53.73	229614	6.06
Demat shares	707	46.27	3558041	93.94

Number of physical and demat shareholders are after merging the PAN of same folios.

Category of Shareholding as on 31st March, 2025

Category	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Share Holding
Promoters	5	0.33	7,33,440	19.36
Financial Institutions, Banks, Insurance Companies & Mutual Funds	13	0.87	15,92,870	42.05
NRI/OCB	7	0.47	7,984	0.21
Private Body Corporate	51	3.41	6,94,014	18.32
Individuals/Trust	1,413	94.92	7,44,341	20.05
Total	1,496	100.00	37,87,655	100.00

16.	Dematerialization of Shares and Liquidity	As on 31 st March, 2025, 35,58,041 equity shares of the Company representing 93.94 % of the total shares are in dematerialised form. During the financial year 40 equity shares of the Company, constituting 0.00% of the issued and subscribed capital of the Company were dematerialised and no equity share was rematerialized.
17.	Details on use of public funds obtained in the last three years	No funds have been raised from the public in last 3 years.

Shareholder's Information

18.	Outstanding GDR / Warrants and Convertible Bonds, Conversion date and likely impact on Equity	N.A.
19.	Commodity Price Risk or Foreign Exchange Risk and Hedging Activities	N.A.
20.	Secretarial Audit	<p>(a) Pursuant to Section 204 of the Companies Act, 2013, M/s K. Arun & Co., Practicing Company Secretaries, have conducted Secretarial Audit of the Company for the financial year 2024-25. The Audit Report is annexed to the Board's Report.</p> <p>(b) A Practicing Chartered Accountant carries out quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in demat form (held with NSDL and CDSL). The said certificate is submitted quarterly to The Stock Exchange, NSDL and CDSL and is also placed before the Board of Directors.</p>
21.	Plant Locations	None
22.	Investor Correspondence: Share Transfer / De-materialization or other queries relating to Shares of the Company	<p>MCS Share Transfer Agent Limited 383, Lake Gardens, 1st Floor, Kolkata – 700 045 Phone: +91 33 4072 4051/53 Fax: +91 33 4072 4050 E-Mail: mcssta@rediffmail.com</p>

23. Per Share Data:

Particulars	2024-25	2023-24	2022-23	2021-22	2020-21
Net Earnings [PAT]	0.04	0.32	(0.01)	0.03	0.18
Cash Earnings [PBDT]	0.04	0.32	(0.01)	0.03	0.18
Dividend Per Share (₹)	Nil	Nil	Nil	Nil	Nil
Face Value per Share (₹)	10	10	10	10	10

24. Other useful information for Shareholders:

(i) Change of Address

- Members are requested to notify immediately any change of address (with PIN CODE) and Bank Account details to their Depository Participants (DPs) in respect of their electronic share accounts and Shareholders holding shares in physical form should notify the same to the Company's RTA by written request under the signature of sole/first joint holder quoting reference of their folio numbers.
- Members, who hold shares in Physical Form, are advised that a self-attested copy of the PAN card of the Member/Transferee Members, surviving joint holder/legal heirs be furnished to the Company while making request for transfer, deletion of the name of the deceased joint holder, transposition of name and transmission of shares, as the case may be.

Shareholder's Information

- (c) Shareholders who have not yet registered their e-mail address for availing the facility of e-communication are requested to register the same immediately with their DPs in respect of their shares held in dematerialised form and to MCS Share Transfer Agent Limited, in respect of their physical share folios, if any, quoting reference of their folio numbers.

(ii) Communication to the Company

Members are requested to make all correspondence in connection with the shares held by them by addressing letters directly to MCS Share Transfer Agent Limited, 383, Lake Gardens, 1st Floor, Kolkata – 700 045, quoting reference of their folio numbers and / or Client ID and DP ID number.

(iii) Loss of Shares

In case of loss/misplacement of shares, investors should immediately lodge a FIR/Complaint with the Police and inform to the Company/RTA along with original or certified copy of FIR/Acknowledged copy of Police Complaint along with a self-attested copy of their PAN card.

(iv) Non-Resident Shareholders

Non-Resident Shareholders are requested to immediately notify the following to the Company in respect of shares held in physical form and to their DPs in respect of shares held in dematerialised form:

- Indian address for sending all communications, if not provided so far;
- Change in their residential status on return to India for permanent settlement;
- Particulars of the Bank Account maintained with a bank in India, if not furnished earlier;
- E-mail ID and Fax No. (s), if any; and
- RBI Permission number with date to facilitate prompt credit of dividend in their Bank Accounts.

(v) Share Transfer / Dematerialization

- (a) Share transfer requests are acted upon in 15 days from the date of their receipt. In case no response is received from the Company within 20 days of lodgement of transfer request, the lodger may write to the RTA of the Company with full details so that necessary action could be taken to safeguard interest of the concerned against any possible loss/interception during postal transit.
- (b) Dematerialization requests duly complete in all respects are normally processed within 7 days from the date of their receipt at Registered Office.
- (c) Members who are holding shares in identical order of names in more than one folio are requested to send to the Company the details of such folios together with the Share Certificates for consolidating their holdings in one folio.

(vi) SEBI opens special window for re-lodgement of transfer of physical shares

Background: SEBI had discontinued transfer of shares held physically from 1st April, 2019. However, transfer deeds which were lodged prior to the date and rejected due to deficiency in documents could be re-lodged before 31st March, 2021.

New Opportunity: In response to feedback from investors, companies, and transfer agents, SEBI is now offering a special window for re-lodgement of transfer requests of physical shares from 7th July, 2025 to 6th January, 2026. This will give shareholders another chance to re-submit transfer deeds which were originally lodged before 1st April, 2019 but were returned or rejected due to deficiencies in documentation.

Note: All shares re-lodged during this period will be processed through the transfer-cum-demat route, meaning they will only be issued in dematerialized (demat) form after transfer.

Board's Report

Dear Members,

The Board of Directors of HGI Industries Limited (the "Company") are pleased to present the 81st Annual Report along with the Audited Financial Statements of your Company for the Financial Year ended 31st March, 2025.

FINANCIAL PERFORMANCE

Your Company has prepared Financial Statements in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013. The financial highlights of your Company are as under:

(₹ in Thousands)

Particulars	2024-25	2023-24
Total Income	2,549	3,522
Less: Expenditure	2,392	2,277
Profit/(Loss) before Depreciation, Finance Cost, Exceptional Items and Tax Expenses	157	1,245
Less: Depreciation / Amortization / Impairment	16	16
Profit/(Loss) before Finance Cost, Exceptional Items and Tax Expenses	141	1,229
Less: Finance Cost	-	-
Profit/(Loss) before Exceptional Items and Tax Expenses	141	1,229
Add/(less): Exceptional Items	-	-
Profit/(Loss) before Tax Expenses	141	1,229
Less: Tax Expenses	-	-
Profit / (Loss) for the year	141	1,229
Balance of Profit/(Loss) for the earlier years	(1,83,780)	(1,85,009)
Less: Transfer to Reserve	-	-
Add: Transfer from OCI Reserve	-	-
Balance carried forward	(1,83,639)	(1,83,780)
Earning per Equity Share – Basic and Diluted (₹/Share)	0.04	0.32

*previous year figures have been regrouped/rearranged wherever necessary.

Reserves

Your Directors do not propose to transfer any amount to General Reserve.

Dividend

In view of accumulated losses, your Directors do not recommend any dividend for the Financial Year 2024-25.

Overall Performance and Future Prospects

The total income of the Company during the Financial Year 2024-25 is ₹ 2,549 Thousand as against ₹ 3,522 Thousand in the previous year. The profit after tax is ₹ 141 Thousand as against profit after tax of ₹ 1,229 Thousand in the previous year. There is no revenue from operations. Total income only comprises of other income.

Your Company is looking for viable business opportunities to be pursued in future.

Board's Report

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and no commitment, which may affect the financial position of the Company, has occurred between the end of the financial year to which the Financial Statement is related and the date of this Report.

CAPITAL AND DEBT STRUCTURE

During the year, the Company has not made any allotment of Equity Shares. Consequently, there was no change in the issued, subscribed and paid-up share capital of your Company from the previous year.

INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, no amount was required to be transferred to Investor Education and Protection Fund during the year under review.

MANAGEMENT

Directors & Key Managerial Personnel

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Mr. Arvind Kumar Newar (DIN: 00469492), Non-Executive Director, is liable to retire from office by rotation and being eligible, offers himself for re-appointment at the ensuing 81st Annual General Meeting (AGM).

The Directors of your Company recommend his re-appointment.

Mr. Sushil Kumar Chandak has been appointed as the Chief Financial Officer (CFO) of the Company w.e.f. 22nd May, 2024 in place of Mr. Kamal Kishor Agarwal, who tendered his resignation from the said position effective from the closure of business hours on 1st April, 2024.

Mr. Sumit Kundu has been appointed as the Company Secretary and Compliance Officer of the Company w.e.f. 2nd August, 2024 in place of Mr. Rakesh Sharma, who tendered his resignation from the said position effective from the closure of business hours on 1st August, 2024. The Board places on record its sincere appreciation to Mr. Rakesh Sharma for his valuable contributions during his tenure as Company Secretary and Compliance Officer of the Company.

In terms of the provisions of Section 203 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Hukum Chand Daga, Chief Executive Officer, Mr. Sushil Kumar Chandak, Chief Financial Officer and Mr. Sumit Kundu, Company Secretary were the Key Managerial Personnel of the Company during the year under review.

Appointment of Independent Directors

Mr. Jitendra Kumar Agarwal (DIN: 06830635), Mr. Nikhil Agarwala (DIN: 08558646) and Mr. Rahul Goyal (DIN: 06399327) were appointed as Additional Directors (Independent Category) based on the recommendation of the Nomination & Remuneration Committee (NRC) at the Board Meeting held on 22nd May 2024. They were subsequently regularized as Non-Executive Independent Directors at the Company's 80th Annual General Meeting held on 19th September, 2024.

Similarly, Ms. Minakshi Jalan (DIN: 10666355), who was appointed as an Additional Director (Independent Category) on the recommendation of the NRC at the Board Meeting held on 1st August 2024, was also regularized as a Non-Executive Independent Director at the 80th Annual General Meeting held on 19th September 2024.

Resignation of Director

Mrs. Neha Agrawal (DIN: 05321461) who had been associated with the Company as an Independent Director since 23rd September, 2020, tendered her resignation from the position w.e.f. 11th June 2024, due to her other professional commitments. The Board places on record its sincere appreciation for her valuable contributions during her tenure as Director of the Company.

Board's Report

Retirement of Independent Directors

Pursuant to the provisions of Companies Act, 2013, the 2nd term of office of Mr. Jyoti Prakash Kanoria (DIN: 00225761), Mr. Yashwant Kumar Daga (DIN: 00040632) and Mr. Ravindra Kastia (DIN: 00528025) as Independent Directors of the Company, were completed on 23rd September, 2024. The Board of Directors places on record its sincere appreciation for the valuable contributions and guidance provided by Mr. Kanoria, Mr. Daga and Mr. Kastia during their tenure as Directors of the Company.

Declaration by Independent Directors (IDs)

Mr. Jitendra Kumar Agarwal (DIN: 06830635), Mr. Nikhil Agarwala (DIN: 08558646), Mr. Rahul Goyal (DIN: 06399327) and Ms. Minakshi Jalan (DIN: 10666355) are Independent Directors on the Board of your Company. In the opinion of the Board and as confirmed by these Directors, they meet the criteria of independence as laid down and fulfil the conditions specified in Section 149(6) of the Companies Act, 2013 and the Rules made thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. All the Independent Directors have declared that they have registered their profile in the data bank of Independent Directors maintained by Indian Institute of Corporate Affairs.

Further, the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the aforesaid Act and Code of Conduct for Directors and Senior Management Personnel.

Board of Directors and their meetings

Your Company's Board is duly constituted in compliance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company. Your Board has been constituted with requisite wisdom, expertise and experience commensurate to the scale of operations of your Company.

The composition of Board of Directors is as under:

S. No.	Name	Category
1.	Mr. Jyoti Prakash Kanoria#	Independent Director
2.	Mr. Yashwant Kumar Daga#	Independent Director
3.	Mr. Arvind Kumar Newar	Non – Executive Director
4.	Mr. Ravindra Kastia#	Independent Director
5.	Mrs. Neha Agrawal^	Independent Director
6.	Mr. Jitendra Kumar Agarwal*	Independent Director
7.	Mr. Nikhil Agarwala*	Independent Director
8.	Mr. Rahul Goyal*	Independent Director
9.	Ms. Minakshi Jalan**	Independent Director

*Mr. Jitendra Kumar Agarwal, Mr. Nikhil Agarwala and Mr. Rahul Goyal were appointed as Independent Directors w.e.f. 22nd May, 2024 and were subsequently regularized at the 80th Annual General Meeting held on 19th September, 2024

^ Mrs Neha Agarwal resigned from the position of Independent Director w.e.f 11th June, 2024.

**Ms Minakshi Jalan was appointed as an Independent Director w.e.f 1st August, 2024 and was subsequently regularized at the 80th Annual General Meeting held on 19th September, 2024.

Mr. Jyoti Prakash Kanoria, Mr. Yashwant Kumar Daga & Mr. Ravindra Kastia had completed their 2nd term as Independent Directors of the Company on 23rd September, 2024.

Board's Report

During the financial year 2024-25, 4 (Four) Board Meetings were held on 22nd May, 2024, 1st August, 2024, 8th November, 2024 and 11th February, 2025 respectively. The attendance at the Board Meetings and at the previous Annual General Meeting is as under:

S. No.	Name	No. of Board Meeting attended	Last AGM Attended
1.	Mr. Jyoti Prakash Kanoria	2	Yes
2.	Mr. Yashwant Kumar Daga	2	No
3.	Mr. Arvind Kumar Newar	4	No
4.	Mr. Ravindra Kastia	1	Yes
5.	Mrs. Neha Agrawal	1	No
6.	Mr. Jitendra Kumar Agarwal	3	Yes
7.	Mr. Nikhil Agarwala	3	Yes
8.	Mr. Rahul Goyal	3	Yes
9.	Ms. Minakshi Jalan	2	Yes

Committees and Recommendations of Committees

The composition of the Committees of the Board is as under:

a. Audit Committee

Pursuant to Section 177 of the Companies Act, 2013, the Audit Committee (Committee) of the Board of Directors was comprised of the following Members at the beginning of the year:

S. No.	Name	Chairman/ Member
1.	Mr. Jyoti Prakash Kanoria	Chairman
2.	Mr. Yashwant Kumar Daga	Member
3.	Mr. Arvind Kumar Newar	Member
4.	Mr. Ravindra Kastia	Member

Mr. Jyoti Prakash Kanoria, Mr. Yashwant Kumar Daga and Mr. Ravindra Kastia were serving as Independent Directors (IDs) and their second term as Director completed on 23rd September, 2024, as per the provisions of the Companies Act, 2013.

During the Financial Year, the Committee was re-constituted with the following members:

S. No.	Name	Chairman/ Member
1.	Mr. Jitendra Kumar Agarwal	Chairman
2.	Mr. Nikhil Agarwala	Member
3.	Mr. Arvind Kumar Newar	Member
4.	Mr. Rahul Goyal	Member

Members of the Committee possess financial/accounting expertise/exposure. The Committee reviewed the unaudited quarterly financial results and also recommended the Financial Statement for the Financial Year 2024-25 for approval of the Board. The Committee also reviewed/approved all the matters which come within the terms of its reference in accordance with the provisions of the Companies Act, 2013, from time to time. All the recommendations made by the Committee during the year were accepted by the Board.

During the year, 4 (Four) number of Committee Meetings were held on 22nd May, 2024, 1st August, 2024, 8th November, 2024 and 11th February, 2025 respectively.

Board's Report

b. Nomination & Remuneration Committee

Pursuant to Section 178 of the Companies Act, 2013, the Nomination & Remuneration Committee (Committee) of the Board of Directors was comprised of the following Members at the beginning of the year:

S. No.	Name	Chairman/ Member
1.	Mr. Jyoti Prakash Kanoria	Chairman
2.	Mr. Yashwant Kumar Daga	Member
3.	Mr. Arvind Kumar Newar	Member
4.	Mr. Ravindra Kastia	Member

During the Financial Year, the Committee was re-constituted with the following members:

S. No.	Name	Chairman/ Member
1.	Mr. Jitendra Kumar Agarwal	Chairman
2.	Mr. Nikhil Agarwala	Member
3.	Mr. Arvind Kumar Newar	Member
4.	Mr. Rahul Goyal	Member

The role of Nomination & Remuneration Committee is to formulate the criteria for determining qualifications, positive attributes and independence of a Director, remuneration for the Directors, Key Managerial Personnel and Senior Management in accordance with the policy.

During the year, 3 (Three) number of Committee Meetings were held on 22nd May, 2024, 1st August, 2024 and 8th November, 2024 respectively

c. Stakeholders Relationship Committee

Pursuant to Section 178 of the Companies Act, 2013, the Stakeholders Relationship Committee (Committee) of the Board of Directors was comprised of the following Members at the beginning of the year:

S. No.	Name	Chairman/ Member
1.	Mr. Jyoti Prakash Kanoria	Chairman
2.	Mr. Yashwant Kumar Daga	Member
3.	Mr. Arvind Kumar Newar	Member
4.	Mr. Ravindra Kastia	Member

During the Financial Year, the Committee was re-constituted with the following members:

S. No.	Name	Chairman/ Member
1.	Mr. Jitendra Kumar Agarwal	Chairman
2.	Mr. Nikhil Agarwala	Member
3.	Mr. Arvind Kumar Newar	Member
4.	Mr. Rahul Goyal	Member

The role of Stakeholders Relationship Committee is to review the grievances of shareholders of the Company.

During the year, 4 (Four) number of Committee Meetings were held on 22nd May, 2024, 1st August, 2024, 8th November, 2024 and 11th February, 2025 respectively.

Board's Report

Meeting of Independent Directors

During the year under review, the Independent Directors met separately on 26th March, 2025 pursuant to the provisions of the Companies Act, 2013 inter alia, to:

- review the performance of Non-Independent Directors and the Board of Directors as a whole;
- assess the quality, content and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Company's Policy on Appointment and Remuneration

The Company has adopted the Nomination & Remuneration Committee Charter and Executive Remuneration Philosophy/ Policy of "Nomination & Remuneration Committee" (Committee). The prime responsibility of the Committee is to identify persons who are qualified to become Directors and who may be appointed in Senior Management position in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance, Board and its Committee thereof. The Committee has also formulated a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees. The Policy is available on Company's website, viz: www.hgiil.com.

Annual Evaluation of the Board of Directors

The formal annual evaluation has been made by the Board of its own performance and that of its Committees and individual Directors on the basis of a set of criteria framed by the Nomination & Remuneration Committee and approved by the Board. The performance evaluation, thus, included the following:

- i. Individual Directors;
- ii. The Board as a whole; and
- iii. Various Committees of the Board.

Your Directors were circulated performance evaluation templates containing various parameters with a rating scale. Accordingly, the Performance evaluation exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, digital strategy etc. Separate exercise was carried out to evaluate the performance of Individual Directors who were evaluated on parameters such as Active participation in meetings, contribution at the meetings and otherwise, independent judgment and a summarized statement of the same was reported to the Board.

Thereafter, the Board at its meeting discussed the performance of the Board, as a whole, its Committees and Individual Directors. The Board expressed satisfaction on the overall functioning of the Board and its Committees. The Board was also satisfied with the contribution of the Directors, in their respective capacities, which reflected the overall engagement of the Individual Directors.

Disclosure on remuneration of Directors and Key Managerial Personnel (KMP)

Pursuant to the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 the remuneration of Key Managerial Personnel of the Company is as under:

Board's Report

Remuneration of Key Managerial Personnel (KMP)

Name of the KMP	Designation	Remuneration in FY 2024-25 (in INR)	Remuneration in FY 2023-24 (in INR)	% increase of remuneration in 2024-25 as compared to 2023-24
Rakesh Sharma#	Company Secretary & Compliance Officer	7,78,592	12,72,710	-
Sushil Kumar Chandak*	Chief Financial Officer	1,80,000	-	-
Sumit Kundu#	Company Secretary & Compliance Officer	5,14,279	-	-

* Mr. Sushil Kumar Chandak appointed as the CFO of the company w.e.f 22nd May, 2024

Mr. Rakesh Sharma resigned as Company Secretary and Compliance Officer w.e.f 1st August, 2024 and Mr. Sumit Kundu appointed as Company Secretary and Compliance Officer of the Company w.e.f 2nd August, 2024

Your Company aims to provide competitive remuneration opportunities to the executives by positioning target total remuneration (including perks and benefits, annual incentive pay-outs, long term incentive pay-outs at target performance) and target total cash compensation (including annual incentive pay-outs) at target performance directionally between median and top quartile of the primary talent market. The Median Remuneration of Employees (MRE) cannot be computed as there were only two permanent employees on the rolls of the Company during Financial Year 2024-25. During the year, there was no remuneration paid to employee other than managerial personnel. Further, no remuneration was paid to any of the Directors except sitting fees for attending Board and Committee Meetings.

It is affirmed that the remuneration paid to KMPs, during the Financial Year ended 31st March, 2025 is as per the Nomination & Remuneration Committee Charter and Executive Remuneration Philosophy/Policy of the Company.

A Statement containing the information of top ten employees in terms of remuneration drawn as required under Section 197(12) read with Rules 5(2) and 5(3) of the Companies (Appointment & Remuneration of Managerial Personnel), Rules, 2014 and subsequent amendments thereto is annexed to this report as **Annexure 1**.

Further, there was no employee who was in receipt of remuneration in excess of limits prescribed in the said rules.

Directors' Responsibility Statement

Your Directors acknowledge the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013. In the preparation of the annual accounts for the financial year ended 31st March, 2025, the Directors state that:

- the applicable accounting standards have been followed along with proper explanation relating to material departure, if any;
- the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- the directors have 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;
- the directors have prepared the annual accounts on a going concern basis;

Board's Report

- (e) the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Internal Financial Controls

During the year, the Company had adequate Internal Financial Controls over financial reporting commensurate with the size and nature of its business and the same were operating effectively.

Details of fraud as per Auditors Report

During the year under review, no instances of fraud have been reported by the Statutory Auditors of the Company under Section 143(12) of the Companies Act, 2013.

PERFORMANCE OF SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

Your Company has no subsidiary or joint venture company and has not become subsidiary of any other company during the year under review.

PARTICULARS OF DEPOSITS

Your Company has not accepted any deposits from public in terms of Section 73 and/or Section 74 of the Companies Act, 2013 during the year under review.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year, the Company has not given any loan or provided any guarantee or made any investment in any body corporate.

PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTIES

The Company is having a policy on Related Party Transaction to ensure the compliances of provisions of the Companies Act, 2013. During the year, the Company had not entered into any transactions as enumerated in Section 188 of the Companies Act, 2013 (the Act) and Rules made thereunder with its Related Party as defined in Section 2(76) of the Act.

CORPORATE SOCIAL RESPONSIBILITY

The requirement as per Section 135 of the Companies Act, 2013 to include an annual report on CSR activities containing the particulars specified in the Rules is not applicable to the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO

There was no operation during the year under review and hence, furnishing of information under the provisions of Section 134(3)(m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption are not applicable.

Further, during the year under review, there was no foreign exchange earning and outgo.

RISK MANAGEMENT

Your Directors periodically reviews and identifies the element of risk, if any, which may threaten the existence of the Company. During the year, Company had no operations and no operational risks were existing that may have threatened the existence of the Company.

Board's Report

VIGIL MECHANISM / WHISTLE BLOWER

In compliance with the provision of Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014 and SEBI (LODR), Regulations, 2015, your Company has established a robust Vigil Mechanism for reporting of concerns through the Whistle Blower Policy. The policy provides for framework and process, for the employees and directors to voice genuine concerns or grievances about unprofessional conduct without fear of reprisal. Adequate safeguards have been provided against victimization to those who avail of the mechanism and access to the Chairman of the Audit Committee is provided to them in exceptional cases. The details of such policy is also available at the website of the Company, viz., www.hgiil.com. During the year, no complaint was received/reported under the Vigil Mechanism/Whistle Blower Policy.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year, no significant and material orders were passed by the Regulators, Courts or Tribunals impacting the going concern status of the Company.

STATUTORY AUDITORS AND THEIR REPORT ON FINANCIAL STATEMENT

In the Annual General Meeting held on 19th September, 2024, M/s Ashok Amit & Co., Chartered Accountants (ICAI Firm Registration No. 322338E) were appointed as Statutory Auditors of the Company for the first term of 5 consecutive years, i.e., to hold office from the conclusion of 80th Annual General Meeting (AGM) till the conclusion of 85th AGM of the Company to be held in the calendar year 2029.

Further, the report of the Statutory Auditors along with notes to Financial Statement are enclosed to this report. The observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments from the Board u/s 134 (3) (f) of the Act. The Auditors' Report does not contain any qualification, reservation or adverse remark.

The second and final term of appointment of M/s Salarpuria Jajodia & Co., Chartered Accountants (ICAI Firm Registration No. 302111E) Statutory Auditors of the Company, was completed after the 80th Annual General Meeting.

SECRETARIAL AUDITORS AND THEIR REPORT

In terms of Section 204 of the Companies Act, 2013 and Rules made thereunder, M/s K. Arun & Co., Practicing Company Secretaries were re-appointed as the Secretarial Auditors of the Company. The report of the Secretarial Auditors is self-explanatory and do not call for any further comments and is annexed to this report as **Annexure 2**.

COST AUDITORS AND THEIR REPORT

During the year under review, the Company was not required to conduct Cost Audit, as the provisions of Section 148 of the Companies Act, 2013 are not applicable to the Company.

COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, the Company has duly complied with the applicable provisions of the Secretarial Standards on Meetings of the Board of Directors and General Meetings issued by The Institute of Company Secretaries of India.

HUMAN RESOURCE

Your Company treats its "human resource" as one of its most important assets.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. Your Company's thrust is on the promotion of talent internally through job enlargement and individual development.

Board's Report

ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company for the Financial Year ended 31st March, 2025 is uploaded on the website of the Company and can be accessed at <https://hgiil.com/downloadreport.php>.

CORPORATE GOVERNANCE

Corporate Governance refers to a set of laws, regulations and good practices that enable an organization to perform efficiently and ethically generate long-term wealth and create value for all its stakeholders.

We, at HGI Industries Limited, are committed to the adoption of best governance practices and its adherence in true spirit, at all times. Our governance practices are self-driven, reflecting the culture of the trusteeship that is deeply ingrained in our value system.

As the requirement under Regulation 34 of the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015, regarding disclosures pertaining to attaching "Report on Corporate Governance" as an addition to Boards' Report is not applicable on the Company, hence, the same is not annexed hereto.

DISCLOSURE ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Although the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 is not directly applicable to the Company, we are firmly committed to upholding a safe, inclusive, and respectful work environment for all employees. We are firmly committed to upholding a safe, inclusive, and respectful work environment for all employees. No case or complaint was reported during the year under review.

ACKNOWLEDGEMENT

Your Directors placed on record their appreciation for the employees of the Company.

Your Directors also thank the vendors, bankers, shareholders and advisers of the Company for their continued support.

Your Directors also thank the Central and State Governments and other statutory authorities for their continued support.

For and on behalf of the Board

Place : Kolkata
Date : 23rd May, 2025

Jitendra Kumar Agarwal
Director
DIN : 0683063

Nikhil Agarwala
Director
DIN : 08558646

Board's Report

Annexure 1

HGI Industries Limited

Registered Office: Industry House, 18th Floor, 10, Camac Street, Kolkata -700 017

INFORMATION U/S 197(12) OF THE COMPANIES ACT, 2013, READ WITH THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2025

S. No.	Name	Designation	Remuneration (₹)	Date of Birth (DD-MM-YYYY)	Qualifications	Age (Years)	Nature of Employment Whether Contractual or Otherwise	Experience (Years)	No. of Equity Shares, if Any, held in the Company	Date of Commencement (DD-MM-YYYY)	Name of Employer	Designation	Experience
I. Top 10 employees in terms of remuneration drawn during the year													
1	Rakesh Sharma	Company Secretary & Compliance Officer	7,78,592	04-04-1986	B.Com, ACS	39	Full Time	11	NIL	23-05-2018	Worldwide Safety Private Limited	Company Secretary	3
2	Sumit Kundu	Company Secretary & Compliance Officer	5,14,279	20-11-1988	B.Com, ACS	36	Full Time	5	NIL	02-08-2024	Yarjur Fibres Ltd	Company Secretary	4
3	Sushil Kumar Chandak	Chief Financial Officer	1,80,000	01-10-1959	B.Com.	66	Full Time	43	104	22-05-2024	Essel Mining & Industries Limited	Deputy Manager	19

Note :

- 1) Remuneration means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income Tax Act, 1961.
- 2) None of the above employee is relative of any Director of the Company.
- 3) Mr. Sushil Kumar Chandak appointed as the CFO of the company w.e.f 22nd May, 2024
- 4) Mr. Rakesh Sharma resigned as Company Secretary and Compliance Officer w.e.f 1st August, 2024 and Mr. Sumit Kundu appointed as Company Secretary and Compliance Officer of the Company w.e.f. 2nd August, 2024.

For and on behalf of the Board

Jitendra Kumar Agarwal
Director
DIN: 06830635

Nikhil Agarwala
Director
DIN: 08558646

Place : Kolkata
Date : 23rd May, 2025

Board's Report

Annexure 2

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST DAY OF MARCH, 2025

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

**To,
The Members
HGI Industries Limited
CIN: L40200WB1944PLC011754**

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

Based on our verification of 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, and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion the Company has, during the audit period covering the financial year ended 31st March, 2025 has complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2025 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;
- III. The Depositories Act, 1996 along with SEBI Depositories and Participants Regulations, 2018 and the Regulations and Bye-laws framed there under;
- IV. The following Regulations (as amended from time to time) and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992: -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended;
 - (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- V. We in consultation with the Company came to a conclusion that the following laws are directly applicable with regard to business activities of the Company during the period under review.
 - a. Goods and Services Act, 2017;
 - b. The Depositories Act, 1996; and
 - c. Other Labour Laws required to be complied by the Company.

We have also examined the compliances made by the company in relation to the following statutory provisions/standards/regulations:

- a. The Agreement entered into by the Company with The Calcutta Stock Exchange Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b. The Secretarial Standards (SS - 1 and SS – 2) issued by the Institute of Company Secretaries of India.

Board's Report

We further report that:

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

The following changes in the composition of the Board that took place during the year under review were carried out in compliance with the provisions of the Act:

- a) Mr. Arvind Kumar Newar (DIN: 00469492), who was liable to retire by rotation had offered himself for re-appointment. His re-appointment was confirmed at the 80th Annual General Meeting of the Company held on 19th September, 2024.
- b) Mr. Sushil Kumar Chandak has been appointed as the Chief Financial Officer (CFO) of the company w.e.f. 22nd May, 2024 in place of Mr. Kamal Kishore Agarwal, who tendered his resignation from the said position w.e.f. 1st April, 2024.
- c) Mr. Jitendra Kumar Agarwal (DIN: 06830635), Mr. Nikhil Agarwala (DIN: 08558646) and Mr. Rahul Goyal (DIN: 06399327) who has been initially appointed as an Additional Directors (termed as Non-Executive Independent Director) in the Board Meeting of the Company held on 22nd May, 2024, were regularized as the Non-Executive Independent Directors at the Company's 80th Annual General Meeting held on 19th September, 2024.

Additionally, Ms. Minakshi Jalan (DIN: 10666355) who has been initially appointed as an Additional Director (termed as Non-Executive Independent Director) in the Board Meeting of the Company held on 1st August, 2024 was regularized as the Non-Executive Independent Director in the 80th Annual General Meeting of the Company held on 19th September, 2024.

- d) Mrs. Neha Agarwal (DIN: 05321461) has tendered her resignation as Independent Director w.e.f. 11th June, 2024. Further, the tenure of Mr. Jyoti Prakash Kanoria (DIN: 00225761), Mr. Yashwant Kumar Daga (DIN: 00040632) and Mr. Ravindra Kastia (DIN: 00528025) as Non-Executive Independent Directors, had concluded from the closure of business hours on 23rd September, 2024.
- e) Mr. Sumit Kundu has been appointed as the Company Secretary and Compliance Officer of the Company w.e.f. 2nd August, 2024 in place of Mr. Rakesh Sharma, who tendered his resignation from the said position effective from the closure of business hours on 1st August, 2024.

Adequate notice along with Agenda and detailed Notes on Agenda were sent to all the Directors to schedule the Board Meetings and to all the members to schedule the Committee Meetings. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We 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 as also represented by the management.

We further report, that during the audit process we have not come across any major events which took place in the Company for the period under review.

K. Arun & Co
Company Secretaries

Place: Kolkata
Date: 23-05-2025

Arun Kumar Khandelia
Partner
FCS: 3829
C.P. No.: 2270
UDIN: F003829G000426592
FRN: P1995WB046000
Peer Review No: 5182/2023

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

Board's Report

Annexure-A

To,
The Members,
HGI Industries Limited
CIN: L40200WB1944PLC011754

Our Secretarial Audit Report for the Financial Year ended 31st March, 2025, of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we have followed provides a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulation and happening of events etc. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification procedures on test check basis.
5. 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.
6. The Secretarial Audit was conducted based on the verification of the Company's books, papers, minutes books, forms and returns filed, documents and other records furnished by them or obtained from the Company.

K. Arun & Co
Company Secretaries

Place: Kolkata
Date: 23-05-2025

Arun Kumar Khandelia
Partner
FCS: 3829
C.P. No.: 2270
UDIN: F003829G000426592
FRN: P1995WB046000
Peer Review No: 5182/2023

Financial Statement

Independent Auditor's Report

**To The Members of
HGI Industries Limited
Report on the Audit of the Financial Statements
Opinion**

We have audited the accompanying Financial Statements of **HGI Industries Limited ("the Company")**, which comprises the Balance Sheet as at 31st March, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013, as amended ("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** (including Other Comprehensive Income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the Financial Statements of the current period. These matters were addressed in the context of the 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.

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

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

The Company's management is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, and Shareholder's Information, but does not include the Financial Statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Financial Statements

The Company's management is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 of the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the 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 the Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The management is also responsible for overseeing the Company's financial reporting process.

Independent Auditor's Report (Contd.)

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure- 'A'** a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), 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 Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Companies Act 2013, as amended, read with relevant rules.
 - (e) On the basis of the written representations received from the Directors as on 31st March, 2025 taken on record by the management, none of the directors is disqualified as on 31st March, 2025 from being appointed as a director in terms of section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.

Independent Auditor's Report (Contd.)

- (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.

As per the records of the Company and to the best of our information and explanations given to us, there is no remuneration paid / provided by the Company to its directors during the year.

- (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 as at 31.03.2025 which would impact its financial position in its Financial Statements (Refer note no 19 in the Financial Statements)

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(iv) (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person 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, other than as disclosed in the notes to

accounts, no funds 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 (a) and (b) above, contain any material misstatement.

(v) The Company has neither declared nor paid any dividend during the financial year. Hence, compliance in accordance with section 123 of the Companies Act, 2013 is not applicable

(vi) Based on our examination, which included test checks, the Company has used accounting software 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 has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For Ashok Amit & Co.
Chartered Accountants
Firm ICAI Reg. No. 322338E

Ashok Agrawal
Partner

Place : Kolkata
Date : 23.05.2025

Membership No-050941
UDIN : 25050941BMNSPV2663

Annexure 'A' To The Independent Auditor's Report

(Referred to Paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Report)

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

- i. (a)(A)The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
(B)The Company does not have any intangible asset. So, comment on clause 3(i)(a)(B) is not applicable.
 - (b) As explained to us, property, plant and equipment have been physically verified by the management at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) The title deeds of immovable properties are held in the name of the Company.
 - (d) The Company has not revalued any of its Property, Plant and Equipment during the year. So, comment on this clause is not applicable.
 - (e) According to information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Refer Note 30 of the Financial Statements.
- ii. (a) Since there is no inventory, hence comment on the clause 3(ii) (a) of the said order is not applicable.
 - (b) The Company has not been sanctioned any working capital loan from banks or financial institutions on the basis of security of current assets so comment on clause 3(ii) (b) of the said order does not arise.
- iii. According to the information and explanations given to us, the Company has not made investments, provided any guarantee or security or granted any loan or advances in the nature of loan, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties during the year. So, comments on clause 3(iii)(a) to (f) of the said order does not arise. However, the Company has made investments in earlier years which are prima facie, not prejudicial to the Company's interest.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and section 186 of the Act, with respect to loans or investments made and guarantees or security provided wherever applicable.
- v. According to the information and explanations given to us, there is no such deposits, taken by the Company, for which directives issued by the Reserve Bank of India and the provisions of section 73 to section 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, are required to be compiled with. Hence, comment on clause 3(v) of the said order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the order is not applicable to the Company.
- vii. (a) According to the records of the Company and as per the information and explanations given to us, the company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Services Tax, Duty of Custom, Duty of Excise, Value Added tax, Cess and any other Statutory Dues to the appropriate authorities during the year. According to the information and explanations given to us, no undisputed statutory dues were outstanding as at 31st March, 2025 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, there are no statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Services Tax, Duty of Custom, Duty of Excise, Value Added tax, Cess and any other Statutory Dues which have not been deposited with the appropriate authorities on account of any dispute save and except, the following disputed statutory dues given below:

Name of the statute	Nature of dues	Amount (₹ in thousand)	Related Year	Forum (where it is pending)
Maharashtra Sales Tax	Sales Tax	337 (Net of deposit of 300)	1990-1991	Deputy Commissioner of Sales Tax
Employees' State Insurance	Employee Dues	7924 (Net of Deposit of 66)	1994-1995	Employees' State Insurance Court

Annexure 'A' To The Independent Auditor's Report (Contd.)

- viii. There were no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961). Hence comment on clause 3(viii) of the said Order is not applicable.
- ix. a) As per the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Hence comment on clause 3(ix) of the said Order is not applicable.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or any other lender.(Refer Note no 34)
- c) The Company has not taken any term loan during the year, hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- d) On an overall examination of the financial statements of the Company, no funds have been raised on short- term basis so reporting under clause 3(ix)(d) of the said order is not applicable.
- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries', joint ventures or associate Companies, hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. a) According to the information and explanations given to us the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, comment on clause (x)(a) of the said order is not applicable.
- b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Hence comment on clause 3(x)(b) of the Order is not applicable.
- xi. a) According to the information and explanations given to us, no fraud by the Company and any fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.
- c) We have taken into consideration the whistle blower policy of the Company, However, no complaints were received by the Company during the year (and upto the date of this report).
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Hence comment on clause 3(xii)(a)(b)(c) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and section 188 of the Act where applicable and such transactions have been disclosed in the financial statements as required by the applicable Indian 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 period under audit.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transaction with directors or persons connected to its directors and hence comment on clause 3(xv) of the order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under Clause 3(xvi)(a) of the said order is not applicable.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities. Hence, reporting under Clause 3(xvi)(b) of the said order is not applicable.
- (c) The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Hence, reporting under Clause 3(xvi)

Annexure 'A' To The Independent Auditor's Report (Contd.)

(c) of the said order is not applicable.

(d) According to the information and explanation provided by the management, the group has two core investment companies as a part of the group. We have not however separately evaluated whether the information provided by the management is accurate and complete.

xvii. According to the information and explanations given to us, the Company has not incurred cash losses during the current financial year as well as during the previous year.

xviii. There has been no resignation of the statutory auditors of the Company during the year. Hence, comment on clause 3(xviii) of the said Order is not applicable.

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. In our opinion, section 135 of the Companies act, 2013 is not applicable to the company. Hence, comments on clause 3(xx) of the said order does not arise.

For Ashok Amit & Co.
Chartered Accountants
Firm ICAI Reg. No. 322338E

Ashok Agrawal
 Partner

Place : Kolkata
 Date : 23.05.2025

Membership No-050941
 UDIN : 25050941BMNSPV2663

Annexure ‘B’ To The Independent Auditor’s Report

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (“the Act”)

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

We have audited the internal financial controls over financial reporting of **HGI Industries Limited (“the Company”)** as of 31st March, 2025 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence 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 judgment, including the assessment of the risks of material misstatement of the IND AS 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 control 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 IND AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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

Annexure 'B' To The Independent Auditor's Report (Contd.)

internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the

Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Ashok Amit & Co.
Chartered Accountants
Firm ICAI Reg. No. 322338E**

Ashok Agrawal
Partner
Membership No-050941
UDIN : 25050941BMNSPV2663

Place : Kolkata
Date : 23.05.2025

Balance Sheet as at 31st March, 2025

CIN : L40200WB1944PLC011754

₹ in Thousands

	Note No.	As at 31 st March, 2025	As at 31 st March, 2024
I ASSETS			
1) Non-Current Assets			
a) Property, Plant and Equipment	3	380	396
b) Financial Assets			
i) Investments	4 (i)	1,75,090	1,40,334
ii) Other Financial Assets	4 (ii)	18,261	18,580
c) Other Assets	5	771	771
		1,94,502	1,60,081
2) Current Assets			
a) Financial Assets			
i) Cash and Bank Balances			
- Cash and Cash Equivalents	7 (i)	277	386
- Bank Balances other than 7(i) above	7 (ii)	900	626
ii) Other Financial Assets	4 (iii)	132	123
b) Current Tax Assets (Net)	8 (i)	298	288
c) Other Assets	6	316	296
		1,923	1,719
Total Assets		1,96,425	1,61,800
II EQUITY AND LIABILITIES			
1) Equity			
a) Equity Share Capital	9	37,877	37,877
b) Other Equity	10	1,33,505	92,222
Total Equity		1,71,382	1,30,099
2) Liabilities			
i) Non-Current Liabilities			
a) Financial Liabilities			
- Other Financial Liabilities	11	400	400
b) Provisions	13	18	213
c) Deferred Tax Liability (Net)	8 (ii)	22,752	29,138
		23,170	29,751
ii) Current Liabilities			
a) Financial Liabilities			
Trade Payables	12	-	-
-Total outstanding dues of micro enterprises and small enterprises			
-Total outstanding dues of creditors other than micro enterprises and small enterprises		765	833
b) Other Liabilities	14	1,108	1,117
		1,873	1,950
Total Liabilities		25,043	31,701
Total Equity and Liabilities		1,96,425	1,61,800

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For Ashok Amit & Co.

Firm Registration Number: 322338E

Chartered Accountants

Ashok Agrawal

Partner

Membership Number: 050941

Dated : 23rd May, 2025

Jitendra Kumar Agarwal

Director

DIN: 06830635

Hukam Chand Daga

Chief Executive Officer

Sumit Kundu

Company Secretary

Nikhil Agarwala

Director

DIN: 08558646

Sushil Kumar Chandak

Chief Financial Officer

Statement of Profit and Loss for the year ended 31st March, 2025

CIN : L40200WB1944PLC011754

₹ in Thousands

	Note No.	2024-25	2023-24
I Revenue from operations (Gross)		-	-
II Other income	15	2,549	3,522
III Total Revenue (I+II)		2,549	3,522
IV EXPENSES			
Employee Benefit Expenses	16	1,303	1,563
Depreciation & Amortisation Expenses	3	16	16
Other Expenses	17	1,089	714
Total Expenses		2,408	2,293
V. Profit / (Loss) Before Tax V= (III-IV)		141	1,229
VI. Tax Expense		-	-
VII. Profit / (Loss) for the year (V-VI)		141	1,229
VIII. Other Comprehensive Income (OCI)			
Other Comprehensive Income not to be reclassified to profit/ loss in subsequent periods -			
Net Gain / (Loss) on FVTOCI Investments		34,756	29,877
Income Tax Effect on above		(4,518)	(6,212)
Other Comprehensive Income for the year, net of tax		30,238	23,665
Total Comprehensive Income for the year - [(VII) + (VIII)]		30,379	24,894
Earning per Equity Share (nominal value of Share ₹ 10/-each) - Basic and diluted (in ₹)	18	0.04	0.32

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For Ashok Amit & Co.

Firm Registration Number: 322338E

Chartered Accountants

Ashok Agrawal

Partner

Membership Number: 050941

Dated : 23rd May, 2025

Jitendra Kumar Agarwal

Director

DIN: 06830635

Nikhil Agarwala

Director

DIN: 08558646

Hukam Chand Daga
Chief Executive Officer**Sushil Kumar Chandak**
Chief Financial Officer**Sumit Kundu**
Company Secretary

Cash Flow Statement for the year ended 31st March, 2025

CIN : L40200WB1944PLC011754

Accounting Policy

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

₹ in Thousands

	2024-25		2023-24	
A. Cash Flow from Operating Activities :				
Profit/(Loss) before tax		141		1,229
Add: Adjustments for :				
Depreciation	16		16	
Profit on sale of Property, Plant and Equipment	-		(1,075)	
Interest Income	(1,271)		(1,229)	
Operating Profit/(Loss) before Working Capital changes		(1,255)		(2,288)
Increase/(Decrease) in Trade Payables	(68)	(1,114)	228	(1,059)
Increase/(Decrease) in Other Current Liabilities	(9)		(2)	
Increase/(Decrease) in Non- Current Provisions	(195)		124	
Decrease/(Increase) in Other Current Assets	(20)	(292)	(76)	274
Cash Generation from / (Used in) operations		(1,406)		(785)
Direct Tax (Payments) / Refunds		(10)		(33)
Net Cash from / (Used in) Operating Activities		(1,416)		(818)
B. Cash Flow from Investing Activities :				
Sale of Property, Plant and Equipment		-		1,200
Interest received		1,262		1,221
Fixed Deposits Matured		20,251		1,363
Fixed Deposits made during the year		(20,206)		(3,441)
Net Cash from / (Used in) Investing Activities		1,307		343
C. Cash Flow from Financing Activities :				
Other Borrowing Costs		-		-
Net Cash from / (Used in) in Financing Activities		-		-
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)		(109)		(475)
Cash and Cash equivalents at the beginning of the year		386		861
Cash and Cash equivalents at the end of the year		277		386

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	As at 31 st March, 2025	As at 31 st March, 2024
Balances with Banks:		
- On Current Accounts	75	373
- Cheques on hand	-	13
- Cash on hand	2	-
- Deposits with maturity for less than 3 months	200	-
	277	386

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For Ashok Amit & Co.

Firm Registration Number: 322338E

Chartered Accountants

Ashok Agrawal

Partner

Membership Number: 050941

Dated : 23rd May, 2025

Jitendra Kumar Agarwal

Director

DIN: 06830635

Hukam Chand Daga

Chief Executive Officer

Sumit Kundu

Company Secretary

Nikhil Agarwala

Director

DIN: 08558646

Sushil Kumar Chandak

Chief Financial Officer

Statement of Changes in Equity for the year ended 31st March, 2025

CIN : L40200WB1944PLC011754

₹ in Thousands

A. Equity Share Capital

	Number	Amount
Equity Shares of ₹ 10/- each issued, subscribed and fully paid		
At 31st March, 2023	37,87,655	37,877
Issued during the year	-	-
As at 31st March, 2024	37,87,655	37,877
Issued during the year	-	-
As at 31st March, 2025	37,87,655	37,877

B. Other Equity

Particulars	Reserves & Surplus				Items of OCI	Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium	Retained Earnings	Net Gain / (Loss) on FVTOCI Investments	
Balance as on 31st March, 2023	30,922	1,200	1,32,759	(1,85,009)	87,456	67,328
Profit / (Loss) for the year	-	-	-	1,229	-	1,229
Net Gain / (Loss) on FVTOCI Investments	-	-	-	-	23,665	23,665
Balance as on 31st March, 2024	30,922	1,200	1,32,759	(1,83,780)	1,11,121	92,222
Profit / (Loss) for the year	-	-	-	141	-	141
Net Gain / (Loss) on FVTOCI Investments	-	-	-	-	30,238	30,238
Adjustment for change in Tax Rate	-	-	-	-	10,904	10,904
Balance as on 31st March, 2025	30,922	1,200	1,32,759	(1,83,639)	1,52,263	1,33,505

The accompanying notes are an integral part of the Financial Statements

As per our report of even date

For Ashok Amit & Co.

Firm Registration Number: 322338E

Chartered Accountants

Ashok Agrawal

Partner

Membership Number: 050941

Dated : 23rd May, 2025

Jitendra Kumar Agarwal

Director

DIN: 06830635

Nikhil Agarwala

Director

DIN: 08558646

Hukam Chand Daga

Chief Executive Officer

Sushil Kumar Chandak

Chief Financial Officer

Sumit Kundu

Company Secretary

Notes to the financial statements as at and for the year ended 31st March, 2025

CIN : L40200WB1944PLC011754

1. Corporate Information

HGI Industries Limited (the Company) having CIN No.-L40200WB1944PLC011754 and its registered office at Industry House, 18th Floor, 10 Camac Street Kolkata-700017, India is a Public Limited Company incorporated and domiciled in India.

2.1. Statement of Compliance

These Financial Statements comply with Indian Accounting Standards (“Ind AS”) as prescribed under Section 133 of the Companies Act 2013 (“the Act”), read with the Companies (Indian Accounting Standard) Rules, as amended from time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the Financial Statement.

The financial statements for the year ended 31st March, 2025 have been approved by the Directors of the Company in their meeting held on 23rd May, 2025.

Use of Estimates and Management Judgements while preparing the financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates & assumptions that affects reported amount of Assets & Liabilities and the disclosure of Contingent Liabilities as at the date of financial statements and the amount of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period in which the same is determined.

2.2. New or amended Ind AS applied

The Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amendment Rules, 2024, introducing the following amendments effective for annual periods beginning on or after 1-Apr-2024. The Company has evaluated these amendments and their impact on its financial statements :

Ind AS 117 – Insurance Contracts

Ind AS 117 establishes principles for the recognition, measurement, presentation, and disclosure of insurance contracts. It requires entities to provide information that faithfully represents these contracts and is useful to users of financial statements. The Company has assessed that this amendment does not have a material impact on its financial statements as it does not issue insurance contracts within the scope of Ind AS 117.

Ind AS 116 – Leases (Amendment on Sale and Leaseback Transactions)

The amendment to Ind AS 116 clarifies the accounting for sale and leaseback transactions, especially concerning the measurement of lease liabilities when variable lease payments are present. The Company has reviewed its lease arrangements and concluded that this amendment does not have a significant impact on its financial statements.

The financial statements for the year ended 31st March, 2025 have been approved by the Directors of the Company in their meeting held on 23rd May, 2025.

2.3. Basis of Preparation

The financial statements have been prepared and presented on the going concern basis using accrual basis of accounting and under the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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.

All assets and liabilities have been classified as current and non-current as per the Company’s normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Company determines materiality depending on the nature or magnitude of information, or both. Information is material if omitting, misstating or obscuring it could reasonably influence decisions made by the primary users, on the basis of those financial statements.

Notes to the financial statements as at and for the year ended 31st March, 2025 (Contd.)

CIN : L40200WB1944PLC011754

The financial statements of the Company have been presented in Indian Rupee (₹) which is the Company's functional currency. All financial information presented in INR have been rounded off to the nearest two decimal of 'Thousands', unless otherwise stated.

2.4. Material Accounting Policy Information

Material accounting policy information has been identified based on the following guidance provided under Ind AS 1. The material accounting policy information used in preparation of the financial statements have been discussed in the respective notes.

2.5 Use of estimates and judgement

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the standalone financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise. The Company uses the following critical accounting judgements, estimates and assumptions in preparation of its financial statements:

(a) Useful lives of Property, Plant and Equipment -

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of IT equipment, software and other plant and equipment. This reassessment may result in change in depreciation expense in future periods. Refer note no. 3.

(b) Fair Value Measurement -

The Company applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with the market participants to price the instrument. The Company's assumptions are based on observable data as far as possible, otherwise on the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

(c) Provision for income tax and deferred tax assets –

The Company uses judgements based on the relevant rulings in the areas of allocation of revenue, costs, allowances, and disallowances which is exercised while determining the provision for income tax. Deferred income tax expense is calculated based on the differences between the carrying value of assets and liabilities for financial reporting purposes and their respective tax basis that are considered temporary in nature. Valuation of deferred tax assets is dependent on management's assessment of future recoverability of the deferred benefit. Expected recoverability may result from expected taxable income in the future, planned transactions or planned tax optimizing measures. Economic conditions may change and lead to a different conclusion regarding recoverability. Refer note no. 8.

(d) Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable.

2.6. Recent accounting pronouncements

No new amendments to Ind AS has been notified by the Ministry of Corporate Affairs ("MCA") during the current financial year.

Notes to the financial statements as at and for the year ended 31st March, 2025 (Contd.)

CIN : L40200WB1944PLC011754

₹ in Thousands

3. Property, Plant and Equipment**Accounting Policy**

Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price and any attributable cost of bringing the asset to its working condition for its intended use. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation on Property, Plant and Equipment

(a) Depreciation on Property, Plant and Equipment is provided on straight line method and manner specified in Schedule II of the Companies Act, 2013.

Class of Asset	Useful Lives (years)
Building	60
Computers	3 to 6
Office Equipment	5

(b) Depreciation on Property, Plant and Equipment added/disposed off during the year is provided on pro-rata basis with reference to the date of addition/disposal thereof.

Particulars	Freehold land	Buildings*	Office Equipment	Computer	Total
Cost or Valuation					
At 1st April, 2023	125	509	2	13	649
Additions	-	-	-	-	-
Less: On Disposals	125	-	-	-	125
As at 31st March, 2024	-	509	2	13	524
Additions	-	-	-	-	-
Less: On Disposals	-	-	-	-	-
As at 31st March, 2025	-	509	2	13	524
Depreciation					
At 1st April, 2023	-	112	-	-	112
Charge for the year	-	16	-	-	16
Less: On Disposals	-	-	-	-	-
As at 31st March, 2024	-	128	-	-	128
Charge for the year	-	16	-	-	16
Less: On Disposals	-	-	-	-	-
As at 31st March, 2025	-	144	-	-	144
Net Block					
As at 31st March, 2024	-	381	2	13	396
As at 31st March, 2025	-	365	2	13	380

* Includes cost of shares of ₹ 0.50 thousand (31st March, 2024: ₹ 0.50 thousand) in the Housing Co-operative Society.

Notes to the financial statements as at and for the year ended 31st March, 2025 (Contd.)

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₹ in Thousands

Notes :

- a) The Company do not have any Immovable Property whose title deeds are not held in the name of the Company during the period ending 31st March, 2025 and also as on 31st March, 2024.
- b) Company has not revalued its Property, Plant and Equipment during the year.
- c) The Company has performed an assessment of its Property, Plant and Equipment for possible triggering events or circumstances for an indication of impairment and has concluded that there were no triggering events or circumstances that would indicate the Property, Plant and Equipment are impaired.

4. Financial Assets

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

- (a) Debt instruments at amortised cost
- (b) Debt instruments, derivatives, equity instruments and mutual fund investments at fair value through profit or loss (FVTPL)
- (c) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

(a) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the profit or loss.

(b) Debt instruments, derivatives, equity instruments and mutual fund investments

All derivatives and mutual fund investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

Notes to the financial statements as at and for the year ended 31st March, 2025 (Contd.)

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(c) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

For all equity instruments other than the ones classified as at FVTPL, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Profit & Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the balance sheet) when the rights to receive cash flows from the asset have expired.

Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

4.(i) Non Current Investments

Particulars	Face Value ₹	As at 31 st March, 2025	As at 31 st March, 2024
Investments at fair value through OCI (FVTOCI)			
Unquoted:			
Equity Shares (Fully paid)			
7000 (31st March, 2024: 7000) Equity Shares of Birla Management Centre Services Private Ltd. (Previously known as Birla Management Centre Services Ltd.)	10	1,75,089	1,40,333
500 (31st March, 2024: 500) Equity Shares of Mohan Machines Ltd.	10	1	1
		1,75,090	1,40,334

Aggregate amount of Quoted and Unquoted Investments, Market value of Quoted Investments are given below :

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Aggregate cost of Quoted Investments	-	-
Aggregate Market value of Quoted Investments	-	-
Aggregate cost of Unquoted Investments	75	75
Aggregate amount of Impairment in value of Investments	-	-
Aggregate carrying value of cost of Quoted & Unquoted Investments	1,75,090	1,40,334

4. (ii) Other Non-current Financial Asset

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
At Amortised Cost (Unsecured, considered good, unless stated otherwise)		
Bank deposits with original maturity for more than 12 months	18,228	18,547
Security Deposits	33	33
	18,261	18,580

Notes to the financial statements as at and for the year ended 31st March, 2025 (Contd.)

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₹ in Thousands

4.(iii) Other Current Financial Assets

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
Interest Accrued on:		
- Fixed Deposits	132	123
	132	123

5. Other Non-current Assets

Particulars	As at 31 st March, 2025	As at 31 st March, 2024
(Unsecured, considered good, unless stated otherwise)		
Deposits against demands under dispute	366	366
Advances recoverable in cash or in kind or for value to be received		
Considered good	405	405
Doubtful	-	-
	405	405
Less: Provision for Doubtful Advances	-	-
	405	405
	771	771

6. Other Current Assets

(Unsecured, considered good, unless stated otherwise)		
Advances recoverable in cash or in kind or for value to be received	306	286
Pre-paid Expenses	10	10
	316	296

7. Cash and Bank Balances

Accounting Policy

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

7.(i) Cash and Cash Equivalents

Balances with Banks:		
- On Current Accounts	75	373
Cheques on hand	-	13
Deposits with maturity for less than 3 months	200	-
Cash on hand	2	-
	277	386

7.(ii) Other Bank Balances :

Deposits with maturity for more than 3 months but less than 12 months	900	626
	900	626
	1,177	1,012

8. Income Taxes

Accounting Policy

Provision for current Income Tax is made on the taxable income using the applicable tax rules and tax laws. Deferred Tax, if any, arising on account of timing difference and which are capable of reversal in one or more subsequent period is recognized using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets, if any, subject to consideration of prudence are recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Notes to the financial statements as at and for the year ended 31st March, 2025 (Contd.)

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8 (i) Current Tax Assets (Net)

	As at 31st March, 2025	As at 31st March, 2024
Advance Payment of Income Tax & Tax Deducted at Source [net of Provisions of ₹ Nil (31st March, 2024: ₹ Nil)]	298	288
	298	288

8 (ii) Deferred Tax and Income Tax**Deferred Tax**

In terms of Ind AS - 12 "Accounting for Taxes on Income", Deferred Tax Asset has not been recognised in respect of carry forward losses and depreciation in the accounts, in the absence of convincing evidence that sufficient taxable profits will be available in future against which the aforesaid deferred tax asset may be realised.

Deferred Tax relates to the following:		
Deferred Tax Liabilities		
Unrealised gain on Fair valuation of FVTOCI investments	22,752	29,141
Gross Deferred Tax Liabilities	22,752	29,141
Deferred Tax Assets		
Unrealised loss on Fair valuation of FVTOCI investments	-	3
Gross Deferred Tax Assets	-	3
Net Deferred Tax Liability	22,752	29,138

Income Tax

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March, 2025 and 31st March, 2024:

	2024-25	2023-24
Accounting Profit before Income Tax	141	1,229
At India's statutory income tax rate of 26.00% (31st March, 2024: 26.00%)	-	-
Utilisation of brought forward depreciation	141	1,229
Total Tax Expense / (Income) recognised in the Statement of Profit & Loss	-	-

9. Share Capital**Accounting Policy**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

	As at 31 st March, 2025		As at 31 st March, 2024	
Authorised				
95,00,000 (31st March, 2024: 95,00,000) Equity Shares of ₹ 10 each	95,000		95,000	
50,000 (31st March, 2024: 50,000) Preference Shares of ₹ 100 each	5,000	1,00,000	5,000	1,00,000
Issued, Subscribed & Paid-up				
37,87,655 (31st March, 2024: 37,87,655) Equity Shares of ₹ 10 each fully paid up		37,877		37,877

Notes to the financial statements as at and for the year ended 31st March, 2025 (Contd.)

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₹ in Thousands

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

	As at 31 st March, 2025		As at 31 st March, 2024	
	Number	₹ In Thousands	Number	₹ In Thousands
Equity Share				
At the beginning of the year	37,87,655	37,877	37,87,655	37,877
Issued during the year	-	-	-	-
Outstanding at the end of the year	37,87,655	37,877	37,87,655	37,877

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of Equity Shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the shareholders.

(c) Details of shareholders holding more than 5% shares in the Company

	As at 31 st March, 2025		As at 31 st March, 2024	
	Number of Shares	% holding in the class	Number of Shares	% holding in the class
Equity Share of ₹ 10 each fully paid				
Life Insurance Corporation of India	9,57,896	25.29	9,57,896	25.29
Centron Advisory Services Limited	4,96,100	13.10	-	-
Kesoram Industries Limited	-	-	4,96,100	13.10
Birla Group Holdings Private Limited	5,19,037	13.70	4,22,322	11.15
Administrator of The Specified Undertaking of the Unit Trust of India	2,16,269	5.71	2,16,269	5.71

As per records of the Company, the above shareholding represents legal ownership of shares.

Shares held by promoters at the end of the year

	As at 31 st March, 2025			As at 31 st March, 2024		
	Number	% of Total Shares	% Change during the year	Number	% of Total Shares	% Change during the year
Equity Share of ₹ 10 each fully paid						
Birla Group Holdings Private Limited	5,19,037	13.70%	2.55%	4,22,322	11.15%	-
Umang Commercial Company Pvt. Limited (Merged with Birla Group Holdings Pvt. Ltd. on 24th May, 2024)	-	-	-2.55%	96,715	2.55%	-
Kumar Mangalam Birla	69,000	1.82%	-	69,000	1.82%	-
Rajashree Birla	63,604	1.68%	-	63,604	1.68%	-
Neerja Birla	13,500	0.36%	-	13,500	0.36%	-
Padmavati Investment Private Limited	68,299	1.80%	-	68,299	1.80%	-

Notes to the financial statements as at and for the year ended 31st March, 2025 (Contd.)

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₹ in Thousands

10. Other Equity

	As at 31 st March, 2025	As at 31 st March, 2024
i) Capital Reserve		
Balance as per last Financial Statements	30,922	30,922
ii) Capital Redemption Reserve		
Balance as per last Financial Statements	1,200	1,200
iii) Securities Premium		
Balance as per last Financial Statements	1,32,759	1,32,759
iv) Retained Earnings		
Balance as per last Financial Statements	(1,83,780)	(1,85,009)
Profit / (Loss) for the year	141	1,229
Net Surplus/(Deficit) in the statement of Profit & Loss	(1,83,639)	(1,83,780)
v) FVTOCI Reserve		
Balance as per last Financial Statements	1,11,121	87,456
Net Gain / (Loss) on FVTOCI Investments	30,238	23,665
Adjustment for change in Tax Rate	10,904	-
	1,52,263	1,11,121
Total	1,33,505	92,222

Nature and Purpose of Reserve**i) Capital Reserve**

Capital Reserve have arisen on the account of demerger.

ii) Capital Redemption Reserve

The Company has created Capital Redemption Reserve for the redemption of preference shares.

iii) Securities Premium

Securities Premium is the premium on issue of equity shares. The reserve will be utilised in accordance with the provision of the Act.

iv) Retained Earnings

Retained Earnings is the present accumulated profits/(losses) earned by the Company and remaining undistributed as on date.

v) FVTOCI Reserve

The Company has elected to recognise changes in the fair value of investments in equity instruments through other comprehensive income. These changes are accumulated within the FVTOCI Reserve.

The company transfers amount from this reserve to Retained Earnings when the relevant equity instruments are derecognised.

Notes to the financial statements as at and for the year ended 31st March, 2025 (Contd.)

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₹ in Thousands

11. Financial Liability**Accounting Policy**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial liabilities (other than financial liabilities at fair value through profit or loss) are deducted from the fair value measured on initial recognition of financial liability. They are measured at amortised cost using the effective interest method.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled, or have expired.

Other Non-current Financial Liabilities

	As at 31 st March, 2025	As at 31 st March, 2024
Deposits	400	400
	400	400

12. Current Trade Payables**Accounting Policy**

Trade payables represent liabilities for goods and services provided to the Company and are unpaid at the reporting period. The amounts are unsecured and usually paid within time limits as contracted. Trade and other payables are presented as current liabilities unless the payment is not due within 12 months after the reporting period.

They are recognised initially at their transactional value which represents the fair value and subsequently measured at amortised cost using the effective interest method wherever applicable.

	As at 31 st March, 2025	As at 31 st March, 2024
-Total outstanding dues of micro enterprises and small enterprises	-	-
-Total outstanding dues of creditors other than micro enterprises and small enterprises	765	833
	765	833

The ageing analysis of the Trade Payables :

Particulars	Outstanding as at 31 st March, 2025 from due date of payment						Total
	Unbilled Due	Not Due	Upto 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	449	-	316	-	-	-	765
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	449	-	316	-	-	-	765

Notes to the financial statements as at and for the year ended 31st March, 2025 (Contd.)

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₹ in Thousands

Particulars	Outstanding as at 31 st March, 2024 from due date of payment						
	Unbilled Due	Not Due	Upto 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	393	-	440	-	-	-	833
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	393	-	440	-	-	-	833

There are no Micro, Small and Medium Enterprises to which the Company owes dues.

Details of dues to Micro, Small and Medium Enterprises Development Act, 2006 :

		As at 31 st March, 2025	As at 31 st March, 2024
i)	The principal amount remaining unpaid to any supplier at the end of each accounting year.	-	-
ii)	The interest due thereon remaining unpaid to any supplier at the end of accounting year.	-	-
iii)	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iv)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
v)	The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
vi)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	-	-

13. Non-Current Provisions**Accounting Policy****General**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Notes to the financial statements as at and for the year ended 31st March, 2025 (Contd.)

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If the effect of the time value of money is material, provisions are discounted at a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

	As at 31 st March, 2025	As at 31 st March, 2024
Provision for employment benefits	18	213
	18	213

14. Other Current Liabilities

	As at 31 st March, 2025	As at 31 st March, 2024
Statutory dues Payable	1,108	1,117
	1,108	1,117

15. Other Income

Accounting Policy

Revenue, if any, from sale of goods will be recognized upon passage of title to the customers which would generally coincide with delivery thereof. Claims, due to uncertainty in realization, are accounted for on acceptance/cash basis. Dividend income on investments is accounted for when the right to receive the payment is established. Interest income, if any, will be recognized on a time proportion basis taking into account the amount outstanding and rate applicable. Profit on sale of investments is recorded on transfer of title from the Company and is determined as the difference between sale price, carrying value of Investment and other incidental expenses. Rental Income is recognised on an accrual basis in accordance with the terms of the relevant agreement.

	2024-25	2023-24
Rent	1,278	1,218
Interest income on :		
Fixed Deposits	1,261	1,221
Tax Refunds	10	8
Profit on Sale of Property, Plant and Equipment	-	1,075
	2,549	3,522

16. Employee Benefits Expenses

Accounting Policy

Retirement Benefits and other employee benefits

- i) Retirement benefit in the form of Provident Fund is a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when an employee renders the related service. There are no obligations other than the contributions payable to the respective trusts / funds.
- ii) Short term Employee Benefits are recognised at the undiscounted amount as expense for the year in which the related service is rendered.

	2024-25	2023-24
Salaries ,Wages & Bonus	1,189	1,436
Contribution to Provident & other Funds (Including Administrative Charges)	54	56
Gratuity	8	31
Employees' Welfare Expenses	52	40
	1,303	1,563

Notes to the financial statements as at and for the year ended 31st March, 2025 (Contd.)

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17. Other Expenses

	2024-25		2023-24	
Rates & Taxes		123		98
Repairs & Maintenance		112		70
Insurance		10		8
Subscription		58		58
Printing & Stationery		15		19
Software Expenses		31		23
Payment to Auditors (Refer details below)		186		127
Legal & Professional Charges		142		131
Directors' Sitting Fees		235		98
Recruitment Expenses		104		-
Business Support Expenses	2,088		1,771	
Less: Recovered	2,088	-	1,771	-
General Charges		13		4
Miscellaneous Expenses		60		78
		1,089		714
Payment to Auditors:				
As Auditor:				
- Audit Fees (Including GST)		156		127
In Other Capacity:				
- For Certificates and other Services		30		-
		186		127

18. Earnings Per Share (EPS)**Accounting Policy**

Earnings per share is calculated by dividing the net profit or loss before OCI for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The following reflects profit & share data used in the Basic and Diluted EPS computation.

		2024-25	2023-24
Profit After Tax	₹ in Thousands	141	1,229
Weighted Average number of Equity Shares	Nos.	37,87,655	37,87,655
Nominal value of Equity Shares	₹	10	10
Basic & Diluted Earning Per Share	₹	0.04	0.32

19. Contingent Liabilities**Accounting Policy**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Notes to the financial statements as at and for the year ended 31st March, 2025 (Contd.)

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₹ in Thousands

Contingent Liabilities not provided for in respect of :

	As at 31 st March, 2025	As at 31 st March, 2024
Demands/claims by various Government authorities and others not acknowledged as debts and contested by the Company :-		
i) Sales Tax	637	637
ii) Claims from ex- employees	3,608	3,608
iii) ESI Matters (Net of provision)	7,096	6,902
	11,341	11,147
Against the above , payment has been made under protest.	366	366

20. Since the Company has currently no reportable business segment and the company operates in a single geographical segment, there are no additional disclosures to be provided under Ind AS 108 'Segment Reporting'.

21. Related Party Disclosures

a) As per Ind AS 24, the disclosure of transactions with the related parties are given below :

List of related parties where control exists and also related parties with whom transactions have taken place and relationship :

Names of the related parties	Relationship
Mr. Arvind Kumar Newar Mr. Jyoti Prakash Kanoria (upto 23rd September, 2024) Mr. Ravindra Kastia (upto 23rd September, 2024) Mr. Yashwant Kumar Daga (upto 23rd September, 2024) Mrs. Neha Agrawal (upto 10th June, 2024) Mr. Jitendra Kumar Agarwal (w.e.f. 22nd May, 2024) Mr. Nikhil Agarwala (w.e.f. 22nd May, 2024) Mr. Rahul Goyal (w.e.f. 22nd May, 2024) Ms. Minakshi Jalan (w.e.f. 1st August, 2024)	Key Management Personnel

b) Related Party Transactions

Names of the Directors	Directors Sitting Fees	
	2024-25	2023-24
Mr. Arvind Kumar Newar	52	26
Mr. Jyoti Prakash Kanoria	16	20
Mr. Ravindra Kastia	8	20
Mr. Yashwant Kumar Daga	16	26
Mrs. Neha Agrawal	2	6
Mr. Jitendra Kumar Agarwal	42	-
Mr. Nikhil Agarwala	42	-
Mr. Rahul Goyal	42	-
Ms. Minakshi Jalan	15	-

22. Fair values :**Accounting Policy**

The Company measures certain financial instruments at fair value at each reporting date. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

Notes to the financial statements as at and for the year ended 31st March, 2025 (Contd.)

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₹ in Thousands

- a) In the principal market for the asset or liability, or
 b) In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above

Fair Value Hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities. The financial instruments are categorized into three levels based on the inputs used to arrive at fair value measurements as described below :

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than the quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Fair Value Measurement using		
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Quantitative disclosures fair value measurement hierarchy for assets as at 31st March, 2025:			
Assets measured at Fair value			
Unquoted Equity Shares	-	-	1,75,090
Quantitative disclosures fair value measurement hierarchy for assets as at 31st March, 2024:			
Assets measured at Fair value			
Unquoted Equity Shares	-	-	1,40,334

The management assessed that cash and cash equivalents, security deposits, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The method and assumption used to estimate the fair values of the of the unquoted equity shares is Net Asset Value (NAV).

Notes to the financial statements as at and for the year ended 31st March, 2025 (Contd.)

CIN : L40200WB1944PLC011754

₹ in Thousands

23. Ratio analysis and its elements :

Ratio	Numerator	Denominator	As at 31st March, 2025	As at 31st March, 2024	Variation (%)	Reasons
Current ratio	Current Assets	Current Liabilities	1.027	0.882	16%	Mainly due to increase in Current Assets
Return on equity ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	0.001	0.010	-91%	Mainly on account of decrease in Profit
Trade payables turnover ratio	Total Purchase for goods & other Expenses	Average Trade Payables = (Opening + Closing balance) / 2	1.363	0.993	37%	Mainly on account of increase in Other Purchase of goods & services
Return on capital employed	Earning before interest and taxes	Capital Employed = Tangible Net Worth plus Total Debt + Deferred Tax Liability	0.001	0.008	-91%	Mainly on account of decrease in Profit

Note:

- 1 Since there is no debt, Debt-Equity ratio and Debt service coverage ratio are not applicable.
- 2 Since there is no sales, Inventory Turnover ratio, Trade Receivables Turnover ratio, Net Capital Turnover ratio and Net Profit ratio are not applicable.
- 3 Since there is no realised income on investment, Return on Investment ratio is not applicable.

24. Disclosure as per Ind AS 116 Leases**Accounting Policy****Operating Leases****Company as Lessor**

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in Property, Plant & Equipment. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

The office premise at Mumbai has been given on operating lease during the year for a period of thirty six months expiring on 14th December, 2025.

	₹ in Thousands
Gross Block as on 31st March, 2025	509
Net Block as on 31st March, 2025	365
Lease income during the year 2024-25	1,278
Future minimum lease rentals receivable:	
(i) not later than one year	937
(ii) later than one year & not later than 5 years	-

Notes to the financial statements as at and for the year ended 31st March, 2025 (Contd.)

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₹ in Thousands

- 25.** The Company has a unfunded defined benefit gratuity plan in India. Every employee who has completed 5 years or more of service is entitled to Gratuity on terms not less favourable than provisions of the “The Payment of Gratuity Act, 1972”. Gratuity provided in the books of accounts as per provision of “The payment of Gratuity Act 1972”
- 26.** Provisions of section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility, are not applicable as the Company does not met any of the eligibility criteria as mentioned in said section.
- 27. Loans or advances (repayable on demand or without specifying any terms or period of repayment) to specified persons:**
The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year ending 31st March, 2025 and previous year ending 31st March, 2024.
- 28. Relationship with Struck off Companies :**
The Company do not have any transactions with company’s struck off during the period ending 31st March, 2025 and also for the period ending 31st March, 2024.
- 29. Disclosure in relation to undisclosed income :**
The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the current year and previous year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- 30. Details of Benami Property held :**
The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company , during the current & previous year , for holding any Benami property.
- 31. Details of Crypto Currency or Virtual Currency :**
The Company has not traded or invested in Crypto currency or Virtual Currency during the current year and previous year .
- 32. Utilisation of Borrowed Fund & Share Premium :**
The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (a) 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 (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (a) 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 (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 33. Registration of charges or satisfaction with Registrar of Companies (ROC) :**
The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period, for the current and previous year.
- 34.** The Company has not been declared wilful defaulter by any bank, financial institution or any other entity.
- 35.** The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

Notes to the financial statements as at and for the year ended 31st March, 2025 (Contd.)

CIN : L40200WB1944PLC011754

₹ in Thousands

36. Financial risk management objectives and policies

The Company's principal financial liabilities comprises of trade and other payables. The main purpose of these financial liabilities is to finance the Company's activities. The Company's principal financial assets include investment, receivables, and cash and cash equivalents that derive directly from its activities.

The Company is exposed to market risk and credit risk. The Company's management oversees the management of these risks. The Company's management provides assurance that the Company's financial risk activities are governed by appropriate policies and principles.

A Market risk

Market risk comprises of three types of risk: interest rate risk, currency risk and other price risk, such as commodity price fluctuation. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments .

B Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Credit risk comprises of two types of risk: Customer Credit Risk and Credit risk from balances with banks and financial institutions.

37. Previous periods' figures have been regrouped / rearranged wherever necessary to conform to the current periods' classification.

As per our report of even date

For Ashok Amit & Co.

Firm Registration Number: 322338E

Chartered Accountants

Ashok Agrawal

Partner

Membership Number: 050941

Dated : 23rd May, 2025

Jitendra Kumar Agarwal

Director

DIN: 06830635

Nikhil Agarwala

Director

DIN: 08558646

Hukam Chand Daga

Chief Executive Officer

Sushil Kumar Chandak

Chief Financial Officer

Sumit Kundu

Company Secretary

HGI INDUSTRIES LIMITED
“INDUSTRY HOUSE”
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KOLKATA – 700017