



Le Merite Exports Limited

Yarn-Fabric-Technical Textile

Annual Report 2024-25



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Company Information

BOARD OF DIRECTORS

Mr. Umashankar Lath
Chairman & Managing Director

Mr. Abhishek Lath
Managing Director & CFO

Mrs. Sweta Lath
Executive Director

Mr. Narendra Kumar Srivastava
Independent Director

Mr. Jaydeep Purujit Mehta
Independent Director

Mr. Rohit Agrawal
Independent Director

COMPANY SECRETARY

Mr. Arpit Sharma
Company Secretary and Compliance Officer

AUDIT COMMITTEE

Mr. Narendra Kumar Srivastava
Chairman

Mr. Jaydeep Purujit Mehta
Member

Mr. Abhishek Lath
Member

NOMINATION AND REMUNERATION COMMITTEE

Mr. Jaydeep Purujit Mehta
Chairman

Mr. Narendra Kumar Srivastava
Member

Mr. Rohit Agarwal
Member

STAKEHOLDERS RELATIONSHIP & GRIEVANCE COMMITTEE

Mr. Jaydeep Purujit Mehta
Chairman

Mr. Narendra Kumar Srivastava
Member

Mr. Umashankar Lath
Member

Mr. Abhishek Lath
Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Rohit Agarwal
Chairman

Mr. Abhishek Lath
Member

Mrs. Sweta Lath
Member

RISK MANAGEMENT COMMITTEE

Mr. Abhishek Lath
Chairman

Mr. Rohit Agarwal
Member

Mrs. Sweta Lath
Member

SUBSIDIARIES

Le Merite
Filament Private
Limited

Le Merite
Laxmi Spinning Private
Limited

Le Merite
Tactical & Defence Solutions
Private Limited (w.e.f.
05/06/2025)

STATUTORY AUDITORS

M/s Nagori Nuwal & Co.
Chartered Accountants
229, Starlit Tower, 29 Y. N. Road,
Indore- 452001

SECRETARIAL AUDITORS

M/s Vijay Tiwari and Associates,
Practising Company Secretaries
601, A-Wing, Gayatri Co-op
Housing Society Limited,
Opp. Rajda School, Borivali (West),
Mumbai - 400092

BANKERS

Shinhan Bank Limited	HDFC Bank	ICICI Bank Limited	UCO Bank Limited	Bank of India
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REGISTERED OFFICE

A-307, Boomerang, Chandivali Farm Road,
Powai, Andheri (East), Mumbai - 400072.

Telephone: +91 22 45963506
E-mail: compliance@lemeriteexports.com
Website: www.lemeriteexports.com

DETAILS OF REGISTRAR AND SHARE TRANSFER AGENT

Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri East, Mumbai - 400059.

Phone: +91 22 6263 8200
Fax No.: +91 22 6263 8280
E-mail ID: arif@bigshareonline.com
Website: www.bigshareonline.com





About the Annual Report

This annual report has been carefully put together to provide the Stakeholders with highlights on our integrated management and brief overview of the reporting period. It seeks to improve stakeholders' understanding of our present business position and future sustainability prospects.

In line with the Companies Act, 2013, relevant rules, Accounting Standards, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we have ensured that all financial and statutory information in this report is accurate and compliant. This demonstrates our dedication to creating value for all our stakeholders. Through this report, we want to share the steps we have taken and the outcomes we've achieved in our financial, environmental, and societal efforts.

Covering the period from April 1, 2024, to March 31, 2025, this report provides straightforward and clear insights, both quantitative and qualitative. It highlights our initiatives to create value for stakeholders and addresses the risks, opportunities, and strategies we've employed in response to an ever-changing external environment.

We're proud to present the 22nd Annual Report of Le Merite Exports Limited ("LMEL"), offering a thorough overview of our financial and non-financial performance for the fiscal year 2024-25.

Chairmans Message to Shareholders

Dear Shareholders,

Namaskar!

It is my privilege to address you once again as Chairman of Le Merite Exports Limited, and to present to you the Annual Report for the financial year ending 2024-25.

One of the most significant milestones achieved during the year has been our growing engagement with the Defence sector. I am proud to share that our products have found acceptance in highly demanding defence applications, and we have successfully secured orders catering to this vital sector. This not only reflects the superior quality and reliability of our textiles but also positions us as a trusted partner in serving the strategic needs of our nation.

Looking ahead, our goal is to deepen our presence in the Defence sector, where specialized textiles play a crucial role in supporting advanced requirements. We see this as both a business opportunity and a national responsibility. Our focus will be on innovation, R&D, and collaboration to deliver cutting-edge textile solutions that meet the exacting standards of defence forces.

Performance and Resilience

Despite ongoing challenges in global supply chains, inflationary pressures, and fluctuating demand patterns, I am pleased to report that LMEL delivered a stable performance. Our revenue stood at Rs. 48,891.62 Lakhs, representing a growth of 3.62% compared to the previous year. This outcome reflects not only operational efficiency, but the deep commitment of our employees, partners, and leadership team.

Profit margins were impacted by rising input costs and currency volatility; however, we have implemented strategic cost control initiatives and invested in modernizing our manufacturing processes to improve long-term competitiveness.

Governance and Responsibility

We believe good governance is the foundation of long-term value creation. The Board has overseen rigorous risk management, strengthened compliance frameworks, and ensured that our ESG practices are aligned with global standards.





We are also proud to have supported community development programs in areas where we operate—particularly in education, health, and women’s empowerment—reflecting our role not just as a business, but as a responsible corporate citizen.

Looking Forward with Optimism

Looking ahead, we are cautiously optimistic. The global textile market is projected to grow, driven by a recovery in retail and increasing demand for technical textiles. However, we are mindful of the uncertainties posed by geopolitical developments, interest rate volatility, and climate-related disruptions. Our focus remains on disciplined execution, innovation-driven growth, and deepening customer relationships. With a clear strategy and a strong leadership team in place, I am confident that LMEL is well-positioned to seize emerging opportunities and deliver sustained value.

Appreciation and Gratitude

On behalf of the Board, I would like to extend our sincere gratitude to our shareholders for your continued trust and support. I also acknowledge the tireless dedication of our employees, the commitment of our suppliers and partners, and the loyalty of our customers.

Together, we look forward to building a stronger, more resilient, and more sustainable future.

Warm regards,

Umashankar Lath
Chairman and Managing Director
Le Merite Exports Limited

From the desk of the Managing Director

Dear Shareholders,

It is with great pride and gratitude that I present to you the operational and strategic highlights of LMEL for the financial year 2024-25.

A key highlight has been our entry into the Defence sector, where our products have started receiving recognition and orders. This marks an important step in our journey towards becoming a reliable partner in a highly specialized and critical segment. Our teams have worked diligently to meet the stringent requirements of the sector, and this achievement reinforces our capabilities in innovation, quality, and timely execution.

Going forward, our strategy will be to expand our presence in the Defence segment, while continuing to strengthen our core businesses. We will channel resources into R&D and advanced manufacturing, ensuring that our Company remains aligned with the evolving needs of Defence while also creating sustainable growth across all other verticals.

Navigating a Challenging Environment

In the export market, which remains our primary focus, we continue to encounter significant geopolitical challenges. The ongoing conflict has notably contracted demand in the European market, impacting the delivery of textile products. Additionally, new tensions in the Middle East have disrupted logistics in the Red Sea region and beyond, while also causing a further decline in demand. Freight costs have surged by 400-500% across key regions, including Europe, Turkey, Egypt, and South America, adding to our operational challenges. Furthermore, transit times have escalated significantly, compounding the complexities of our export operations.

People & Culture

Our workforce is the engine of our progress. We rolled out several initiatives to enhance employee engagement, safety, and skill development. From upskilling machine operators to launching leadership training programs, we remain committed to building a strong, future-ready team.





Looking Ahead

The year ahead presents both opportunities and challenges. While the global economy remains fragile, we see strong demand signals from key export markets and growing interest in sustainable textiles. Our strategy moving forward focuses on:

- Diversifying our customer and product portfolio
- Deepening digital integration across our supply chain
- Expanding sustainable manufacturing capabilities
- Strengthening operational agility to respond faster to market needs

We are confident that our robust foundation, innovative mindset, and committed workforce will allow us to continue navigating uncertainties and unlocking new avenues of growth.

In Gratitude

I would like to express my sincere gratitude to our shareholders for your continued support and belief in our vision. Your trust in our leadership has been a source of strength as we navigate these challenging times. I would also like to thank our Stakeholders for their unwavering commitment to Le Merite Exports Limited.

Together, we will overcome the challenges of today and build a future that is prosperous, sustainable, and filled with new opportunities. Warm regards,

Abhishek Lath
Managing Director & CFO
Le Merite Exports Limited



Management Discussion and Analysis Report

Global economic overview and outlook:

The global textile industry experienced a mixed recovery during the financial year, shaped by continued economic uncertainties, rising production costs, and evolving consumer behavior. While demand rebounded in some segments—particularly athleisure, home textiles, and technical textiles—others remained under pressure due to inventory overhangs, slower retail activity in certain regions, and geopolitical tensions affecting trade flows.

Sustainability, digitization, and nearshoring trends gained momentum, prompting

textile manufacturers to invest in innovation, eco-friendly production, and digital supply chains. Emerging markets, including South and Southeast Asia, continued to consolidate their position as global textile hubs due to cost competitiveness and supply chain resilience.

Indian Economy Overview and Outlook

India continued to stand out as one of the fastest-growing major economies in CY 2024, with strong growth in manufacturing, services, and exports. The country's GDP growth was supported by increased public infrastructure spending and private consumption. The government's emphasis on self-reliance ("Aatmanirbhar Bharat") and export-led growth has positioned India favourably in the global market.

For FY 2024-25, the Indian economy is expected to maintain its growth momentum, driven by domestic demand and the expansion of sectors such as textiles, electronics, and pharmaceuticals. The government's ongoing reforms and incentives for industries, including the setup of textile parks and the production-linked incentive (PLI) schemes, are expected to further enhance India's manufacturing competitiveness.

With improved business accessibility, the investment climate is becoming increasingly favourable. Rising consumer confidence, a progressing labour market, and increasing private consumption are encouraging the government to further enhance capital investment and reduce the budget deficit.

Global Textile Industry

The global textile and apparel industry is a cornerstone of the manufacturing sector, valued at approximately USD 1.2-1.5 trillion in 2024. It encompasses a vast range of activities

from fiber production and yarn spinning to fabric manufacturing, garment production, and technical textiles. The industry plays a significant role in employment and exports, particularly in emerging economies such as China, India, Bangladesh, Vietnam, and Turkey.

In FY 2024-25, the industry witnessed a mixed recovery following post-pandemic stabilization, amid persistent macroeconomic and geopolitical headwinds. Global demand patterns were influenced by shifting consumer priorities, inflationary pressures, inventory adjustments by major retailers, and ongoing supply chain recalibration.

Indian Cotton and Textile Market

India's textile and apparel industry, one of the oldest and most significant sectors in the country, continues to be a key pillar of the economy. It contributes approximately 2.5% to the national GDP, accounts for around 12% of total exports, and provides direct employment to over 45 million people. Despite global uncertainties and domestic inflationary pressures, the Indian textile industry showed resilience during FY 2024-25.

With a value of over USD 165 billion, the Indian textile market is poised for growth, driven by government support, rising domestic demand, export recovery, and a growing preference for sustainable and value-added textiles.



Opportunities and Threats

OPPORTUNITIES



Rising Global Demand for Sustainable Textiles

Increasing awareness of environmental issues is driving demand for organic, recycled, and eco-friendly textiles. India's traditional strengths in cotton and natural fibers position it well to lead the global sustainable textile movement



Government Support and Policy Incentives

Schemes like the PLI for Textiles, PM MITRA Parks, and National Technical Textiles Mission are promoting investment, capacity expansion, and modernization. Export-focused policies and ease of doing business improvements help Indian exporters remain competitive



Shift in Global Supply Chains

Global buyers are diversifying their sourcing bases to reduce dependence on China. India stands to benefit as a preferred alternative due to its large manufacturing base, skilled workforce, and improving infrastructure



Growth in Technical Textiles

Applications in healthcare, automotive, infrastructure, and defense are rapidly expanding. India's domestic market for technical textiles is growing at a CAGR of 10-12%, offering new revenue streams for manufacturers



E-commerce Growth

The rise of e-commerce platforms presents a significant opportunity for textile companies to reach a wider audience. Digital marketing and online sales can help in capturing the growing online consumer base, both domestically and internationally



Defence Sector for Technical Textiles

Increasing demand for specialized textiles in the Defence sector, including ballistic protection materials, flame-retardant fabrics, camouflage gear, and technical textiles

THREATS



Raw Material Price Volatility

Unpredictable fluctuations in prices of cotton, polyester, and dyes impact profitability and planning. Weather-related challenges and global commodity trends add to uncertainty.



Global Demand Uncertainty

Economic slowdowns, inflation, and retail destocking in the US and Europe can lead to order volatility for exporters. Prolonged geopolitical tensions can disrupt trade flows and buyer sentiment.



Labor and Skill Shortages

The industry continues to face challenges in hiring and retaining skilled workers, especially in semi-urban and rural clusters. Migration trends and lack of formal skilling programs in some regions affect productivity.



Environmental Compliance and Pressures

Increasing expectations from global brands for ESG compliance can strain smaller and mid-sized manufacturers. Investments required to meet environmental standards (e.g., ZLD, renewable energy) can raise capital expenditure.



Infrastructure and Logistics Constraints

Despite progress, inconsistent infrastructure (power, water, transport) and port congestion in some regions add cost and delay risks. Inland logistics and last-mile delivery challenges persist in key textile-producing clusters.





Introducing LMEL-Company Overview

Le Merite Exports Limited (LMEL), established in 2003, is a prominent name in the cotton yarn and greige fabrics manufacturing industry. Renowned globally, “Le Merite” has become a trusted brand in numerous yarn-importing countries. Our strong relationships with customers and exclusive partnerships in top importing nations, such as Bangladesh, China, Turkey, Portugal, Egypt, Guatemala, South Korea, Spain, Italy, Vietnam, Thailand, Peru, UAE, and the USA, allow us to export to over 25 countries.

At LMEL, we believe in the power of team building and prefer to grow through an asset-light model. Our most significant investment is in acquiring top talent. With our marketing and branding expertise, our goal is to achieve the highest standards of customer satisfaction and loyalty.



Mission

“Target is our mission - Revenue, Production, Team building, Enhancement of Sustainable product & most importantly value creation for all stakeholders.”



Vision

“Constant innovation to build sustainable & digital billion-dollar conglomerate”



CORE VALUE

At LMEL, we prioritize the well-being of people and the environment, believing that this focus enables us to make a positive impact. We trust in the dedication and capabilities of our team, expecting them to fulfill their responsibilities with unwavering commitment.

Our organization thrives on open and transparent communication, fostering a culture of trust and collaboration. By promoting a positive and inclusive environment, we build strong bonds and mutual respect among our team members.

Embracing sustainability is integral to our values and provides tangible benefits to our business. We believe that integrating sustainability into our operations drives profitability, revenue growth, enhances our reputation, boosts employee engagement, reduces turnover, and facilitates access to capital.

With a steadfast commitment to responsible business practices, we strive to meet our organizational goals while upholding principles of governance, sustainability, and our core values. This approach ensures that our actions align with our broader vision of creating a sustainable future for all.

At LMEL, we recognize the interconnectedness of profitability and sustainability. By operating with integrity, prioritizing sustainability, and staying true to our core values, we are confident in achieving long-term success while positively impacting the world.

Human Capital Management

We believe that a company's most valuable asset is its human resources. Our philosophy acknowledges employees as dynamic contributors whose skills, dedication, and ingenuity drive the company's progress and success. We see employees not as passive entities but as active agents responsible for the company's growth and achievement of strategic goals.

In line with this belief, we consistently pursue the finest talent available, understanding that excellence, innovation, and adaptability are crucial in navigating a competitive marketplace. By attracting the best talent, we position ourselves to confidently face the complexities of an evolving business landscape.

Details of Significant Changes in the Key Financial Ratios

As per the Schedule V to the Listing Regulations read with Regulation 34(3) of the Listing Regulations, details of significant changes (i.e., change of 25% or more as compared to the immediately previous financial year) in Key Financial Ratios of the Company including explanations therefor have been provided in note no. 31 of the Standalone Financial Statements of the Company.

Cautionary Statement

While the statements and views in this report reflect our best judgment, actual future results may differ.



ACHIEVEMENTS AT A GLANCE



1. Synthetic & Rayon Textiles Export Promotion Council (SRTEPC)

The Synthetic & Rayon Textiles Export Promotion Council (SRTEPC), set up in 1954, is one of the oldest Export Promotion Councils in India.

Shri Giriraj Singh, Hon'ble Minister of Textiles of India presented the award to Mr. Umashankar Lath, Chairman and MD of Le Merite Exports Limited for the best performance for the year 2023-2024.

2. Strengthening Our Presence in the Defence Sector

The Company has achieved a remarkable

milestone by securing orders worth ₹50 crore from the defence sector till date. Crossing this landmark reflects the growing recognition of our capabilities, the trust placed in our products, and our consistent commitment to delivering excellence in this highly specialized and strategic domain.

This achievement, which has also been formally intimated to the National Stock Exchange, marks a significant step forward in our journey of growth and contribution to the nation's defence preparedness. It stands as a testament to the dedication of our team, our focus on quality and innovation, and our ability to build lasting partnerships in critical sectors.



NOTICE

Notice is hereby given that the Twenty-Second Annual General Meeting of the Members of LE MERITE EXPORTS LIMITED (CIN - L17111MH2003PLC143645) will be held on Tuesday, September 30, 2025, at 4.00 p.m., through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Standalone Financial Statements for the Financial Year ended March 31, 2025, together with the reports of the Board and Auditors thereon.
2. To receive, consider, approve and adopt the Audited Consolidated Financial Statements for the Financial Year ended March 31, 2025, together with the report of the Auditors thereon.
3. To re-appoint Mrs. Sweta Lath (DIN 07213314), who is liable to retire by rotation, being eligible, seek re-appointment in terms of section 152(6) of the Companies Act, 2013.

Based on the terms of appointment, Executive Directors and the Non-Executive Directors (other than Independent Directors) are subject to retirement by rotation. Mrs. Sweta Lath (DIN 07213314), who has been on the Board of the Company and whose office is liable to retire at this AGM, being eligible, seeks re-appointment. Based on the performance evaluation, the Board recommends her re-appointment as a Director of the Company. Therefore, the shareholders are requested to consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mrs. Sweta Lath (DIN 07213314), who retires by rotation, be and is hereby re-appointed as a Director, liable to retire by rotation."

SPECIAL BUSINESS:

4. To appoint M/s. Prachi Bansal & Associates, Company Secretaries, Faridabad (CP No. 23670) as Secretarial Auditor of the Company for a first term of 5 (five) consecutive years and to fix their remuneration:



To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 179, 204 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and based on the recommendation of the Audit Committee and the approval of the Board of Directors of the Company, consent of the members of the Company be and are hereby accorded for appointment of M/s. Prachi Bansal & Associates., Company Secretaries, Faridabad (CP No. 23670) as the Secretarial Auditor of the Company for a first term of 5 (five) consecutive years, commencing from Financial Year 2025-26 till Financial Year 2029-30 to conduct Secretarial Audit of the Company and to furnish the Secretarial Audit Report at such remuneration as may be approved by the Audit Committee and/or the Board of Directors in consultation with the said auditor, plus applicable taxes and reimbursement of travel and out-of-pocket expenses, and to avail any other services, certificates, or reports as may be permissible under applicable laws."

"RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, any of the Board of the Directors of the Company be and is hereby authorized to take such steps and to do all such other acts, deeds, matters and things as it may deem fit and to settle any question, difficulty or doubt that may arise in connection with abovementioned resolution and further to do all such acts, deeds matters and things and to finalize and execute all documents and writings as may be necessary, proper, desirable or expedient, as it may deem fit."

By the Order of the Board

Sd/-

Arpit Sharma

Company Secretary and Compliance Officer

Date: September 8, 2024

Place: Mumbai

Registered Office Address:

Le Merite Exports Limited

A-307, Boomerang Building,

Chandivali Farm Road, Powai,

Andheri (East), Mumbai – 400072.

Notes

1. The Ministry of Corporate Affairs (MCA) vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, General Circular Nos. 20/2020 dated May 5, 2020, 10/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 and subsequent circulars issued in this regard, the latest being 09/2024 dated September 19, 2024 in relation to "Clarification on holding of Annual General Meeting ('AGM') through Video Conferencing (VC) or Other Audio Visual Means (OAVM)", (collectively referred to as "MCACirculars") has permitted companies whose AGMs were due to be held in the year 2024 or 2025, to conduct their AGMs through VC or OAVM on or before 30 September, 2025, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 dated 05.05.2020. Further, Securities and Exchange Board of India ('SEBI'), vide its circulars dated May 12, 2020, January 15, 2021, May 13, 2022, January 5, 2023, October 7, 2023 and October 3, 2024 ('SEBI Circulars') and other applicable circulars issued in this regard, has provided relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). In compliance with the aforesaid provisions of the Companies Act, 2013 ('the Act'), the Listing Regulations and MCA Circulars, the AGM of the Company will be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM). Hence, Members are requested to attend and participate in the ensuing AGM through VC/OAVM only.
2. In accordance with the aforesaid MCA Circulars and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 issued by Securities Exchange Board of India (collectively referred to as "SEBI Circulars"), the Notice of the AGM along with the Integrated Annual Report for FY 2024-25 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories".
3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxy(ies) by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of AGM are not annexed to this Notice.
4. Institutional shareholders/corporate shareholders (i.e., other than individuals, HUFs, NRIs, etc.) are required to send a scanned copy (PDF/JPG Format) of

their respective Board or governing body Resolution/Authorization etc., authorizing their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail on its registered e-mail address to Mr. Sunnykumar Narwani sunny@pcsvta.com with a copy marked to ivote@bigshareonline.com Institutional shareholders (i.e., other than individuals, HUFs, NRIs etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter, etc. by clicking on “Upload Board Resolution/Authority Letter” displayed under “e-Voting” tab in their login.

5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Bigshare Services Private Limited for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.lemeriteexports.com The Notice can also be accessed from the websites of the Stock Exchange National Stock Exchange of India Limited at www.nseindia.com and the AGM Notice is also available on the website of Bigshare Services Private Limited (agency for providing the Remote e-Voting facility) i.e., www.ivote.bigshareonline.com

9. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
10. A statement giving relevant details of the director seeking appointment/reappointment under item No.3 of the accompanying notice, as required under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is annexed herewith as Annexure – I
11. The Register of Members and Share Transfer Books of the Company will remain closed from September 24, 2025, to September 30, 2025 (both days inclusive).
12. The Company has appointed CS Sunnykumar Narwani, Practising Company Secretary of M/s VTSN and Associates LLP (Membership No. ACS: 38196; CP No: 27211) as Scrutinizer to scrutinize the e-voting process in fair and transparent manner
13. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at compliance@lemeriteexports.com on or before September 23, 2025 by 05:00 PM. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
14. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and shall be communicated to the stock exchange as well within two (02) days of passing of the resolutions at the AGM of the Company

THE INSTRUCTIONS FOR REMOTE E-VOTING ARE AS UNDER:

- i. The voting period begins on September 27, 2025, at 09:00 a.m. (IST) and ends on September 29, 2025, at 05:00 p.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 23, 2025 may cast their vote electronically. The e-voting module shall be disabled by Bigshare for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.



- iii. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders’ resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- iv. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

1. Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method



Individual Shareholders holding securities in Demat mode with **CDSL**

- 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest is <https://web.cdslindia.com/myeasitoken/home/login> or visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing my easi username & password.
- 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of **BIGSHARE** the e-Voting service provider and you will be re-directed to **i-Vote** website for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. **BIGSHARE**, so that the user can visit the e-Voting service providers' website directly.
- 3) If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration>
- 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link <https://evoting.cdslindia.com/Evoting/EvotingLogin> The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress, and also able to directly access the system of all e-Voting Service Providers. Click on **BIGSHARE** and you will be re-directed to **i-Vote** website for casting your vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with NSDL

- 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <https://eservices.nsd.com> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name **BIGSHARE** and you will be re-directed to **i-Vote** website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
- 2) If the user is not registered for IDeAS e-Services, option to register is available at <https://eservices.nsd.com>. Select “Register Online for IDeAS “Portal or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
- 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name **BIGSHARE** and you will be redirected to **i-Vote** website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
- 4) For OTP based login you can click on <https://eservices.nsd.com/SecureWeb/evoting/evotinglogin.jsp>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page with all e-Voting Service Providers. Click on **BIGSHARE** and you will be re-directed to **i-vote (E-voting website)** for casting your vote

	<p>during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free No. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022-48867000.

2. Login method for e-Voting for shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- You are requested to launch the URL on internet browser:
<https://ivote.bigshareonline.com>
- Click on “**LOGIN**” button under the ‘**INVESTOR LOGIN**’ section to Login on E-Voting Platform.
- Please enter you ‘**USER ID**’ (User id description is given below) and ‘**PASSWORD**’ which is shared separately on you register email id.
 - Shareholders holding shares in **CDSL demat account should enter 16 Digit Beneficiary ID** as user id.
 - Shareholders holding shares in **NSDL demat account should enter 8 Character DP ID followed by 8 Digit Client ID** as user id.
 - Shareholders holding shares in **physical form should enter Event No + Folio Number** registered with the Company as user id.

Note If you have not received any user id or password please email from your registered email id or contact i-vote helpdesk team. (Email id and contact number are mentioned in helpdesk section).

- Click on **I AM NOT A ROBOT (CAPTCHA)** option and login.
NOTE: If Shareholders are holding shares in demat form and have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.
- If you have forgotten the password: Click on ‘**LOGIN**’ under ‘**INVESTOR LOGIN**’ tab and then Click on ‘**Forgot your password?**’
- Enter “**User ID**” and “**Registered email ID**” Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on ‘**Reset**’.
(In case a shareholder is having valid email address, Password will be sent to his / her registered e-mail address).

Voting method for shareholders on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.
- Click on “**VIEW EVENT DETAILS (CURRENT)**” under ‘**EVENTS**’ option on investor portal.
- Select event for which you are desire to vote under the dropdown option.

- Click on **“VOTE NOW”** option which is appearing on the right hand side top corner of the page.
- Cast your vote by selecting an appropriate option **“IN FAVOUR”**, **“NOT IN FAVOUR”** or **“ABSTAIN”** and click on **“SUBMIT VOTE”**. A confirmation box will be displayed. Click **“OK”** to confirm, else **“CANCEL”** to modify. Once you confirm, you will not be allowed to modify your vote.
- Once you confirm the vote you will receive confirmation message on display screen and also you will receive an email on your registered email id. During the voting period, members can login any number of times till they have voted on the resolution(s). Once vote on a resolution is casted, it cannot be changed subsequently.
- Shareholder can **“CHANGE PASSWORD”** or **“VIEW/UPDATE PROFILE”** under **“PROFILE”** option on investor portal.

3. Custodian registration process for i-Vote E-Voting Website:

- You are requested to launch the URL on internet browser: <https://ivote.bigshareonline.com>
- Click on **“REGISTER”** under **“CUSTODIAN LOGIN”**, to register yourself on Bigshare i-Vote e-Voting Platform.
- Enter all required details and submit.
- After Successful registration, message will be displayed with **“User id and password will be sent via email on your registered email id”**.
- **NOTE:** If Custodian have registered on to e-Voting system of <https://ivote.bigshareonline.com> and/or voted on an earlier event of any company then they can use their existing user id and password to login.
- If you have forgotten the password: Click on **‘LOGIN’** under **‘CUSTODIAN LOGIN’** tab and further Click on **‘Forgot your password?’**
- Enter **“User ID”** and **“Registered email ID”** Click on **I AM NOT A ROBOT (CAPTCHA)** option and click on **‘RESET’**.

(In case a custodian is having valid email address, Password will be sent to his / her registered e-mail address).

Voting method for Custodian on i-Vote E-voting portal:

- After successful login, **Bigshare E-voting system** page will appear.

Investor Mapping:

- First you need to map the investor with your user ID under **“DOCUMENTS”** option on custodian portal.
 - Click on **“DOCUMENT TYPE”** dropdown option and select document type power of attorney (POA).

- Click on upload document “**CHOOSE FILE**” and upload power of attorney (POA) or board resolution for respective investor and click on “**UPLOAD**”.

Note: The power of attorney (POA) or board resolution has to be named as the “**InvestorID.pdf**” (Mention Demat account number as Investor ID.)

- Your investor is now mapped and you can check the file status on display.

Investor vote File Upload:

- To cast your vote select “**VOTE FILE UPLOAD**” option from left hand side menu on custodian portal.
- Select the Event under dropdown option.
- Download sample voting file and enter relevant details as required and upload the same file under upload document option by clicking on “**UPLOAD**”. Confirmation message will be displayed on the screen and also you can check the file status on display (Once vote on a resolution is casted, it cannot be changed subsequently).
- Custodian can “**CHANGE PASSWORD**” or “**VIEW/UPDATE PROFILE**” under “**PROFILE**” option on custodian portal.

Helpdesk for queries regarding e-voting:

Login type	Helpdesk details
Shareholder’s other than individual shareholders holding shares in Demat mode & Physical mode.	In case shareholders/ investor have any queries regarding E-voting, you may refer the Frequently Asked Questions (‘FAQs’) and i-Vote e-Voting module available at https://ivote.bigshareonline.com , under download section or you can email us to ivote@bigshareonline.com or call us at: 022-62638338

4. Procedure for joining the AGM/EGM through VC/ OAVM:

For shareholder other than individual shareholders holding shares in Demat mode & physical mode is given below:

- The Members may attend the AGM through VC/ OAVM at <https://ivote.bigshareonline.com> under Investor login by using the e-voting credentials (i.e., User ID and Password).
- After successful login, **Bigshare E-voting system** page will appear.



- Click on “**VIEW EVENT DETAILS (CURRENT)**” under ‘**EVENTS**’ option on investor portal.
- Select event for which you are desire to attend the AGM/EGM under the dropdown option.
- For joining virtual meeting, you need to click on “**VC/OAVM**” link placed beside of “**VIDEO CONFERENCE LINK**” option.
- Members attending the AGM/EGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

The instructions for Members for e-voting on the day of the AGM/EGM are as under:-

- The Members can join the AGM/EGM in the VC/ OAVM mode 15 minutes before the scheduled time of the commencement of the meeting. The procedure for e-voting on the day of the AGM/EGM is same as the instructions mentioned above for remote e-voting.
- Only those members/shareholders, who will be present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM/EGM.
- Members who have voted through Remote e-Voting will be eligible to attend the EGM. However, they will not be eligible to vote at the AGM/EGM.

Helpdesk for queries regarding virtual meeting:

In case shareholders/ investor have any queries regarding virtual meeting, you may refer the Frequently Asked Questions (‘FAQs’) available at <https://ivote.bigshareonline.com>, under download section or you can email us to ivote@bigshareonline.com or call us at: 1800 22 54 22, 022-62638338

By the Order of the Board

Sd/-

Arpit Sharma

Company Secretary and Compliance Officer

Date: September 8, 2025

Place: Mumbai

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.**ITEM NO. 4**

In accordance with the recent amendments to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), every listed entity and its material Subsidiaries in India are required to conduct Secretarial Audit and annex the Secretarial Audit Report to its annual report. Additionally, a listed entity must appoint a Secretarial Audit firm for a maximum of two terms of five consecutive years, with shareholders' approval to be obtained at the Annual General Meeting.

Accordingly, based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on 10th July, 2025, has approved the appointment of M/s. Prachi Bansal & Associates, Company Secretaries, Faridabad (CP No. 23670) as the Secretarial Auditors of the Company for a first term of five (5) consecutive years, commencing from Financial year 2025-26 upto the financial year 2029-30, subject to approval of the Members at the Annual General Meeting.

Furthermore, in terms of the amended regulations, M/s. Prachi Bansal & Associates, Company Secretaries, Faridabad (CP No. 23670) has provided a confirmation that they have subjected themselves to the peer review process of the Institute of Company Secretaries of India and hold a valid peer review certificate. M/s. Prachi Bansal & Associates, Company Secretaries, Faridabad (CP No. 23670) has also confirmed that they are not disqualified from being appointed as Secretarial Auditors and that they have no conflict of interest.

M/s. Prachi Bansal & Associates, Company Secretaries, Faridabad (CP No. 23670) are presently not the Secretarial Auditor of the Company and the terms & conditions of their appointment for a period of 5 years including remuneration shall be such as may be approved by the Audit Committee and/or the Board of Directors in consultation with the said auditor, plus applicable taxes and reimbursement of travel and out-of-pocket expenses.

M/s. Prachi Bansal & Associates, Company Secretaries, Faridabad (CP No. 23670) has provided its consent to act as the Secretarial Auditors of the Company and has confirmed that the proposed appointment, if made, will be in compliance with the provisions of the Act and the SEBI Listing Regulations. Accordingly, approval of the shareholders is sought for appointment of M/s. Prachi Bansal & Associates, Company Secretaries, Faridabad (CP No. 23670) as the Secretarial Auditors of the Company.

The Board recommends passing of the resolution as set out at Item No. 4 to be passed as an ordinary resolution.



None of the Directors/Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in the resolution set out at Item No. 4 of the notice.

Annexure - I to Notice for Annual General Meeting

Details of Directors Seeking Re-appointment at the forth coming Annual General Meeting (*Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015*)

Name of Director	Mrs. Sweta Lath
Date of Birth and Age	January 04, 1985, 40 years
Brief resume/experience and nature of expertise in specific functional areas.	Mrs. Sweta Lath, Executive Director of the company is an expert in handling Human Resource Management and Administration. She is having experience of more than 11 years in the business as woman entrepreneur and is very keen and open for new ideas and products.
Terms and conditions of appointment / reappointment.	Retiring by rotation at the forthcoming Annual General Meeting and being eligible to seek re-appointment.
Details of Remuneration sought to be paid.	Rs. 42,00,000/- per annum Rs.3,50,000/- per month
Remuneration last drawn	Rs. 21,00,000/- per annum Rs.1,75,000/- per month
Qualification	Post Graduate
Number of shares held in the Company	852400
Names of other companies in which the person also holds a directorship	M/s Le Merite Fashions Private Limited
Number of Meetings of the Board attended during the year (i.e., F.Y. 2024-2025).	7 out of 8
Membership/ Chairmanship of the Committee on the Board of other Companies	Nil
Disclosure of Relationships between directors inter-se and with the KMPs.	Wife of Mr. Abhishek Lath, Managing Director & CFO, and Daughter-in-law of Mr. Umashankar Lath, Chairman and Managing Director of the Company

**BOARD'S REPORT**

To

The Members

Le Merite Exports Limited

Your directors have the pleasure to present the 22nd Annual Report on the business and operations of your Company along with the Audited Financial Statements for the year ended March 31, 2025.

Financial Results

The Financial Results of the Company's performance for the year under review and those of the previous year are as follows: -

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Income From Operations	48,011.39	46,810.49	51,474.18	46,815.34
Other Income	880.24	370.93	1,111.39	373.38
Total Income	48,891.62	47,181.42	52,585.57	47,188.72
Expenses [Except Depreciation Expenses]	48,065.85	46,904.06	51,603.35	46,910.86
Profit / (Loss) Before Depreciation, Amortization and Taxation	825.77	277.36	982.22	277.86
Provision For Depreciation	117.64	46.61	117.64	46.61
Profit / (Loss) Before Extra-Ordinary Items [Net of Tax Expenses]	708.13	230.75	864.58	231.26
Less: Extra-Ordinary Items [Net of Tax Expenses]	-	-	-	-
Profit / (Loss) Before Tax	708.13	230.75	864.58	231.26
Less: Tax Expenses: -				
Current Tax	175.00	60.00	175.00	60.08
Deferred Tax	3.10	(3.56)	3.10	(3.56)
Excess / Short Tax Provision W/off	-	-	-	-
Profit / (Loss) before Minority Interest	-	-	686.48	174.73
Less: Minority Interest	-	-	76.66	0.21
Profit / (Loss) After Tax	530.04	174.30	609.82	174.52
Paid-up Share Capital	2429.86	2348.10	2429.86	2348.10



COMPANY PERFORMANCE OVERVIEW

During the year under review, your company reported the revenue from operation amounted to Rs. 48,011.39 lakh as against Rs. 46,810.49 lakh during the previous financial year 2023-24. The Net Profit of your Company, for the year amounted to Rs.530.04 lakh as against Rs. 174.30 lakh during the previous financial year 2023-24.

State Of Affairs

The Company is engaged in the business of manufacturing and trading of textile products namely cotton yarn, greige fabric and finished fabric. There is no change in the business of the Company during the financial year ended March 31, 2025.

Material Changes and Commitments Affecting Financial Position Between the End Of The Financial Year And Date Of The Report

There have been no material changes and commitments, which affect the financial position of the Company, that have occurred between the end of the financial year to which the financial statements relate and the date of this report.

INSURANCE

Your Company has taken appropriate insurance for all assets against foreseeable perils.

Dividend

The Board of Directors has decided not to recommend any dividend for the financial year 2024–25 in order to conserve resources and strengthen the company's financial position.

Dividend Distribution Policy of the Company which is available on the website of the Company at the link: <https://www.lemeriteexports.com/pdf/Dividend-Distribution-Policy.pdf>

Transfer to Reserve

The Company has not transferred any amount to the Reserves for the year ended March 31, 2025.

Capital Structure

The Authorised Share Capital of the company as on March 31, 2025, was Rs. 3500.00 Lakh divided into 3,50,00,000 equity shares of Rs. 10/- each.

The paid-up equity shares capital of the company stood at Rs. 2429.86 Lakh consisting of 2,42,98,600 equity shares of Rs.10/- each.

During the year under review, the Company has issued 14,91,200 Equity Warrants on a preferential basis and 8,17,600 warrants were converted into Equity Shares and



balance Warrants remain outstanding and are eligible for conversion within the stipulated timeline.

Subsidiary / Joint Ventures / Associates

As on March 31, 2025, the Company has 2 subsidiary companies pursuant to the provisions of section 129(3) of the Companies Act, 2013 read with the Companies (accounts) rules, 2014, a statement containing salient features of financial statements of subsidiaries, associates and joint venture companies in form AOC-1 is annexed herewith and marked as Annexure – 'I' to this Report.

As part of our continued focus on diversification and strategic growth, the Company incorporated a subsidiary on 05.06.2025 named as Le Merite Tactical & Defence Solutions Private Limited. This incorporation marks a significant step in broadening our business portfolio and building specialized capabilities in niche sectors of national importance.

The subsidiary has been established to engage primarily in the manufacturing and supply of advanced textile products, with a particular focus on the defence sector. By leveraging our expertise, infrastructure, and innovation-driven approach, the subsidiary aims to provide high-quality, durable, and technically advanced textile solutions to meet the stringent requirements of defence applications. This initiative aligns with the Company's long-term strategy of entering high-value, technology-intensive markets that offer both growth potential and opportunities to contribute to national priorities.

The incorporation of this subsidiary not only reflects our commitment to creating sustainable growth avenues but also underscores our proactive role in strengthening self-reliance within the defence supply chain. With this milestone, the Company is well-positioned to enhance stakeholder value while supporting critical sectors that drive security, innovation, and economic progress.

The Separate Audited Financial Statements in respect of each of the subsidiaries shall be kept open for inspection at the Registered Office of the Company.

The Company will also make available these documents upon request by any member of the company interested in obtaining the same. The Separate Audited Financial Statements in respect of each of the subsidiaries are also available on the website of the company at www.lemeriteexports.com.

Extracts of Annual Return

Pursuant to Section 92 (3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2025 is available on the Company's website at www.lemeriteexports.com



Directors' Responsibility Statement

Pursuant to the requirements under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, your Directors hereby confirm the following:

- a. In the preparation of the annual accounts for the financial year ended March 31, 2025, the applicable accounting standards have been followed;
- b. The directors have selected such accounting policies and applied consistently and made judgements 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;
- c. The directors have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The directors have prepared the annual accounts on a going concern basis;
- e. The directors have laid down internal financial controls, which are adequate and operating effectively;
- f. The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the standalone financial statements forming a part of this Annual Report.

Public Deposits

According to Chapter V of the Companies Act, 2013, the Company has not invited/ accepted any deposits from the public during the year ended March 31, 2025. Hence, there were no unclaimed or unpaid deposits as on March 31, 2025.

Investor Education and Protection Fund (IEPF)

During the year under review, the provision of section 125(2) of the Companies Act, 2013 does not apply as the company was not required to transfer any amount to the Investor Education Protection Fund (IEPF) established by the Central Government of India.

Internal Control Systems & Their Adequacy

Your Company has an adequate and effective Internal Control Mechanism in place which is commensurate with the size, scale and complexity of its operations, to ensure efficient conduct of its operations, security of assets, prevention and detection of frauds/errors, accuracy and completeness of accounting records and the timely preparation of reliable financial information as per its Management Information System (MIS). These controls have been designed to provide reasonable assurance about maintaining proper accounting controls for ensuring the reliability of financial reporting, monitoring of operations and protecting assets from unauthorized use or losses, and compliance with regulations. The Company has continued its efforts to align all its processes and controls with global best practices.

Directors and Key Managerial Personnel

The composition of the Board consists of the following persons:

Key Managerial Personnel

Mr. Umashankar Lath	-	Chairman and Managing Director
Mr. Abhishek Lath	-	Managing Director and Chief Financial Officer
Mr. Sandeep Poddar	-	Company Secretary and Compliance Officer (Resigned w.e.f. 20.03.2025)
Mr. Arpit Sharma	-	Company Secretary and Compliance Officer (Appointment w.e.f. 10.07.2025)

Executive Directors

1. Mrs. Sweta Lath

Non-Executive, Independent Directors

1. Mr. Narendra Kumar Srivastava
2. Mr. Rohit Agarwal
3. Mr. Jaydeep Purujit Mehta

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Mrs. Sweta Lath, Executive Director of the Company, retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offer for re-appointment.

The above re-appointment form part of the Notice of the Annual General Meeting.

Meetings of the Board

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Secretarial Standard-1 issued by the Council of the Institute of Company Secretaries of India and approved by the Central Government. During the year, 8 (Eight) Board Meetings were held on the following dates:



- | | |
|------------------------|-------------------------|
| (i) May 25, 2024 | (ii) July 26, 2024 |
| (iii) August 14, 2024 | (iv) September 06, 2024 |
| (v) October 25, 2024 | (vi) November 11, 2024 |
| (vii) December 6, 2024 | (viii) March 18, 2025 |

The composition of the Board and the attendance details of the Members are given below:

Name of the Directors	Category	No. of Meetings	
		Held	Attended
Mr. Umashankar Lath	Chairman & Managing Director	8	5
Mr. Abhishek Lath	Managing Director & CFO	8	8
Mrs. Sweta Lath	Executive Director	8	7
Mr. Narendra Kumar Srivastava	Non-Executive, Independent Director	8	7
Mr. Jaydeep Purujit Mehta	Non-Executive, Independent Director	8	8
Mr. Rohit Agarwal	Non-Executive, Independent Director	8	3

Independent Director's Meeting

During the year under review, the Independent Directors met on January 30, 2025, inter alia, to discuss:

Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;

Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.

Evaluation of the quality, content, and timeliness of the flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting .

Declaration by Independent Directors

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Grievance Redressal Mechanism [Sebi Complaints Redress System (SCORES)]:



The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are the centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status. Your Company has been registered on SCORES and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint. The Company had received one complaint on the SCORES during the financial year 2024-25 and the same was resolved in the prescribed timeline.

AUDITORS' AND AUDITORS' REPORT

Statutory Auditors

M/s. Nagori Nuwal & Co., Chartered Accountant was appointed as the statutory auditor of the company.

The Audit Report on the Financial Statements for the Financial Year ended on March 31 2025, issued by M/s. Nagori Nuwal & Co., Chartered Accountants, is unmodified and does not contain any qualifications, reservations, or adverse remarks. The information referred to in Auditor's Report is self-explanatory and hence does not require any further clarification.

The first proviso to section 139(1) of the Companies Act, 2013 has been omitted vide section 40 of the Companies (Amendment) Act, 2017 notified on May 07, 2018. Therefore, it is not mandatory for the Company to place the matter relating to the appointment of a statutory auditor for ratification by members at every Annual General Meeting. Hence the Company has not included the ratification of statutory auditors in the Notice of AGM.

During the Year under review, the Auditors have not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

Internal Auditor

The Company is having an internal audit department to test the adequacy and effectiveness of Internal Control Systems laid down by the Management and suggests improvement in the systems. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board. During the year, Company's Internal Controls were tested and no reportable weakness in the system was observed.

Secretarial Audit

The Board has appointed M/s. Vijay S. Tiwari & Associates, Practicing Company Secretaries, to carry out the Secretarial Audit pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the Financial Year 2024-25. The Secretarial Audit Report for the Financial Year ended March 31, 2025, is annexed herewith and marked as Annexure – 'II' to this Report.



Further, pursuant to amended Regulation 24A of SEBI Listing Regulations, and subject to approval of members being sought as the ensuing AGM, M/s. Prachi Bansal and Associates, Practicing Company Secretary has been appointed as a Secretarial Auditor to undertake the Secretarial Audit of your Company for the term of five consecutive financial years from FY 2025-26 till FY 2029-30. M/s. Prachi Bansal and Associates has confirmed that they are not disqualified to be appointed as a Secretarial Auditor and is eligible to hold office as Secretarial Auditor of your Company. The Secretarial Audit Report of your Company does not contain any qualification, reservation or adverse remark.

Cost Records & Audit

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable to the business activities carried out by the Company.

Reporting of Frauds by Auditors

During the year under review, the Statutory Auditors, and Secretarial Auditors have not reported any instances of fraud committed in the Company by its officers or employees under Section 143(12) of the Companies Act, 2013.

Awards And Recognition

Your Company has been conferred with the following awards and recognition during the year under review: -

1. Best Export Performance from STEPC for the year 2023-2024, Special Award in the Merchant Export Category.
2. The Company has achieved a remarkable milestone by securing orders worth ₹50 crore from the defence sector till date. Crossing this landmark reflects the growing recognition of our capabilities, the trust placed in our products, and our consistent commitment to delivering excellence in this highly specialized and strategic domain. This achievement, which has also been formally intimated to the National Stock Exchange, marks a significant step forward in our journey of growth and contribution to the nation's defence preparedness. It stands as a testament to the dedication of our team, our focus on quality and innovation, and our ability to build lasting partnerships in critical sectors.
Reaching this milestone energizes us to pursue even greater opportunities in the future, as we continue to align our efforts with national priorities while creating sustainable value for our stakeholders.

Committees of the Board

The Company has constituted different Committees under the Board that are mandated under the Companies Act, 2013.

[I] Mandatory Committees

(a) Audit Committee

The Audit Committee of the Board of Directors oversees the Financial Statements and Financial Reporting before submission to the Board.

The Audit Committee is responsible for the recommendation of the appointment, remuneration, performance and oversight of the Internal and Statutory Auditors. It reviews the Reports of the Internal Auditors and Statutory Auditors. The Senior Management Personnel are invited to the meetings of the Audit Committee, along with the Head of Internal Audit.

During the year under review, the Audit Committee met 4 (Four) times to deliberate on various matters. The Meetings were held on May 25, 2024, September 06, 2024, October 25, 2024, and February 10, 2025.

The composition of the Committee and the attendance details of the Members are given below:

Name of the Directors	Category	No. of Meetings	
		Held	Attended
Narendra Kumar Srivastava	Chairman, Non-Executive, Independent Director	4	4
Jaydeep Purujit Mehta	Member, Non-Executive, Independent Director	4	4
Abhishek Lath	Member, Managing Director & CFO	4	3

(b) Nomination and Remuneration Committee

Your Company has constituted the Nomination and Remuneration Committee of the Company pursuant to the provisions of Section 178 of the Companies Act, 2013. The functions of this Committee include identification of persons who are qualified to become Directors and who may be appointed as Senior Management, formulation of criteria for determining qualifications, positive attributes, independence, recommendations of their appointments to the Board, evaluation of every Director’s performance, formulation of Remuneration Policy to include recommendation of remuneration for Directors, Key Managerial Personnel and Senior Management.

At present, there are 3 (Three) Members of the Nomination and Remuneration Committee, in which all are Non-Executive & Independent Directors.

During the year under review, the Nomination and Remuneration Committee met once to deliberate on various matters. The Meeting was held on January 30, 2025.

The composition Committee and the attendance details of the Members are given below:

Name of the Directors	Category	No. of Meetings	
		Held	Attended
Narendra Kumar Srivastava	Chairman, Non-Executive, Independent Director	1	1
Jaydeep Purujit Mehta	Non-Executive, Independent Director	1	1
Rohit Agarwal	Non-Executive, Independent Director	1	1

Remuneration Policy, Details of Remuneration and Other Terms of Appointment of Directors.

The Board has, on the recommendation of the Nomination and Remuneration Committee framed a Policy for Selection and Appointment of Directors, Senior Management and their remuneration. This Policy inter-alia includes:

(i) Criteria of Selection of Non-Executive Directors

- Non-Executive Directors will be selected on the basis of Identification of Industry / subject leaders with strong experience. The advisory area and therefore the role may be defined for each independent director.
- The Nomination and Remuneration Committee shall ensure that the Candidate identified for Appointment as a Director is not disqualified for Appointment under Section 164 of the Companies Act, 2013.
- In case of Appointment of Independent Directors, the Nomination and Remuneration Committee shall satisfy itself with regard to the independent nature of the Directors vis-a-vis the Company so as to enable the Board to discharge its function and duties effectively.

(ii) Remuneration

- Pursuant to recommendation of the Nomination and Remuneration Committee and Approval of the Board of Directors, Independent Directors are entitled to sitting fees for attending Board Meetings and Committee Meetings within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, In addition, Independent Directors shall be entitled to receive reimbursement of expenses for participation in the Board/Committee Meetings.

(c) Stakeholders Relationship and Grievance Committee

Your Company has reconstituted the Stakeholders Relationship and Grievance Committee of the Company pursuant to Section 178 of the Companies Act, 2013 which comprises of 4 (Four) Directors out of which Two are Non-executive

Independent Directors and Two are Managing Directors of the Company. The committee is headed by Mr. Jaydeep Purujit Mehta.

During the year under review, the Stakeholders Relationship and Grievance Committee met once on January 30, 2025, in order to take on note the Share Transfer / Transmission / Demat of Shares / Sub-Division as intimated by the RTA of the Company.

The composition of the Share Transfer and Stakeholders Relationship Committee is given below:

Name of the Directors	Category	No. of Meetings	
		Held	Attended
Jaydeep Purujit Mehta	Chairman, Non-Executive, Independent	1	1
Narendra Kumar Srivastava	Non-Executive, Independent Director	1	1
Abhishek Lath	Managing Director and CFO	1	1
Umashankar Lath	Chairman and Managing Director	1	1

Whistle Blower Policy and Vigil Mechanism

The Company has a robust vigil mechanism through its Whistle Blower Policy approved and adopted by the Board of Directors of the Company in compliance with the provisions of Section 177 (10) of the Act and Regulation 22 of the Listing Regulations.

The Policy provides protection to the directors, employees and business associates who report unethical practices and irregularities.

Any incidents that are reported are investigated and suitable action is taken in line with the Whistle Blower Policy. However, no complaint of this nature has been received by the Audit Committee during the Fiscal year 2025. The Whistle Blower Policy of the Company can be accessed at the website of the Company at www.lemeriteexports.com.

Risk Management Policy

The Management has put in place adequate and effective system and manpower for the purposes of risk management. In the opinion of the Board, following would threaten the existence risk of the Company:



Staying one step ahead of risk

The Company has laid down a well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact, and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitoring of both business and non-business risks.

APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

A case was filed by Count N Denier Exim Limited under Section 9 of the Insolvency and Bankruptcy Code (IBC), 2016 against the Company, seeking initiation of Corporate Insolvency Resolution Process. The matter was heard by the Hon'ble National Company Law Tribunal (NCLT), and after due consideration, the petition was dismissed by the NCLT on 26th June 2025.

Orders passed by the Regulators

There have been no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

Disclosures under Sexual Harassment of Women

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. Internal Complaints Committee (ICC) has been constituted to consider & redress all sexual harassment complaints. The Company is committed to providing equal opportunities without regard to race, caste, sex, religion, color, nationality, disability, etc. All women associate (permanent, temporary, contractual and trainees) as well as any women visiting the Company's office premises or women service providers are covered under this Policy. All employees are treated with dignity with a view to maintaining a work environment free of sexual harassment whether physical, verbal or psychological.

During Fiscal year 2025, the Company has not received any complaints of sexual harassment.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance towards any form of sexual harassment and is committed to providing a safe and conducive work environment for all its employees. The Company has in place a policy on prevention, prohibition, and redressal of sexual harassment at workplace in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder. An Internal Complaints Committee (ICC) has been constituted to redress complaints received regarding sexual harassment.

The Committee is responsible for conducting inquiries and making recommendations in accordance with the law.

During the financial year 2024-25, the following are the details of complaints received and disposed of under the Act:

Number of complaints of Sexual harassment received during the year: Nil

Number of complaints disposed of during the year: Nil

Number of complaints pending for more than 90 days: Nil

Maternity Benefit Provided by the Company under Maternity Benefit Act 1961

The Company declares that it has duly complied with the provisions of the Maternity Benefit Act, 1961. The statutory benefits prescribed under the Act, including paid maternity leave, continuity of salary and service during the leave period, and post-maternity support such as nursing breaks and flexible return-to-work options, as applicable has been extended to all the eligible women employees. The Company remains committed to fostering an inclusive and supportive work environment that upholds the rights and welfare of its women employees in accordance with applicable laws.

Foreign Exchange Earnings Outgo

During the period under review, there was Rs.32,121.51 lakhs Foreign Exchange Earnings and Rs.218.86 lakhs Foreign Exchange Outflow and for previous Financial Year Rs. 33,003.61 lakhs Foreign Exchange Earnings and Rs. 223.75 lakhs Foreign Exchange Outflow.

Managerial Remuneration and Particulars of Employees

The Disclosures with respect to the Remuneration of Directors and Employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 along with, a statement containing particulars of Employees as required under Section 197 of Companies Act, 2013 read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith and marked as Annexure – “III” and form part of this report.

Particulars of Contracts and Arrangements with Related Parties

All related party transactions are entered on an arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Accordingly, no transactions are being reported in Form AOC-2 in terms of Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules,



2014. However, the details of the transactions with the Related Party are provided in the Company's financial statements in accordance with the Accounting Standards.

Internal Financial Control

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed. The internal financial control of the company is adequate to ensure the accuracy and completeness of the accounting records, timely preparation of reliable financial information, prevention and detection of frauds and errors, safeguarding of the assets, and that the business is conducted in an orderly and efficient manner.

Depository System

As the Members are aware, your Company's shares are tradable compulsorily in Electronic Form and the Company has established connectivity with both the Depositories in the Country i.e., NSDL and CDSL. In view of the various advantages offered by the Depository System, Members are requested to avail of the facility of dematerialization of the Company's shares on either of the aforesaid Depositories.

Code of Conduct

The Board of Directors has approved a Code of Conduct, which is applicable to the Members of the Board and all Employees in the course of day-to-day business operations of the Company. A copy of the Certificate of Compliance thereof is annexed herewith and marked as Annexure – 'IV'.

Secretarial Standards

The Directors state that the applicable secretarial standards i.e., SS-1 and SS-2, relating to 'Meeting of the Board of Directors' and 'Meeting of General Meeting, respectively, have been duly followed by the Company.

Listing Of Shares on The Stock Exchange

The Company's equity shares are listed on Emerge Platform of the National Stock Exchange of India Limited.

Business responsibility & sustainability report (BRSR)

The Business Responsibility & Sustainability Reporting as required by regulation 34(2) (f) of the SEBI (listing obligations and disclosure requirement) regulations, 2015 is not applicable to the company for the financial year ending, March 31, 2025.

Corporate Governance & Management Discussion and Analysis Report

The Company is committed to maintaining the highest standards of corporate governance and transparency. We ensure that we evolve & follow the corporate governance guidelines & best practices sincerely to boost long-term shareholder value legally, ethically & sustainably. We consider it an inherent responsibility to



disclose timely and accurate information regarding its operations and performance. We also endeavour to maximize shareholders' value and respect minority rights in all our business decisions.

Our company is Listed on Emerge Platform of the National Stock Exchange of India Limited (NSE), by virtue of Regulation 15 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 the compliance with the Corporate Governance provisions as specified in regulation 17 to 27 and Clause (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V is not applicable to the company.

Education, Training and Development

In an ever-changing and fast-paced corporate world, training and development is an indispensable function and management of Le Merite believes that training presents a prime opportunity to expand the knowledge base of all employees. A structured training and development program is organized for employees to have consistent experience and background knowledge. We encourage a culture of continual learning among employees through various Training & development sessions within the organization. Le Merite team always focus on producing targeted and tangible results for the business, treating it seriously and considering it a capital investment and making it results-driven. The results from our training and development initiatives have been very positive and clearly presented the enhanced productivity, efficiency & effectiveness.

Board Policies

We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 mandate the formulation of certain policies for all listed companies. The Corporate Governance policies are available on the Company's website, at www.lemeriteexports.com The policies are reviewed periodically by the board and updated as needed.

Corporate Social Responsibility

The brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure – 'V' of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. This Policy is available on the Company's website at www.lemeriteexports.com.

Chief Executive Officer (CEO) / Chief Financial Officer (CFO) Certification

Regulation 17(8) of the Listing Obligations and Disclosures Requirements formulated by the Securities and Exchange Board of India (SEBI), the CEO/CFO certification is not applicable to your Company as it is an SME Listed Entity.

Conservation of Energy and Technology Absorption

The particulars of Conservation of Energy and Technology Absorption as required under Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 is annexed herewith and marked as Annexure – “VII” and form part of this report.

Green Initiative

The MCA had undertaken the Green Initiative in Corporate Governance by allowing paperless compliances by companies through electronic mode. We request all the shareholders to support the ‘Green Initiative’ of the Ministry of Corporate Affairs and the Company’s continuance towards greener environment by enabling the service of the Annual Report, AGM Notice and other documents electronically to your email address registered with your Depository Participant/ Registrar and Share Transfer Agent. The Company appeals to you, its Shareholders, who are yet to register the E-mail addresses that they take necessary steps for registering the same so that you can also become a part of the initiative and contribute towards a greener environment.

Familiarization programmer for Independent Director:

The Company proactively keeps its directors informed of the activities of the Company, its Management and operations and provides an overall industry perspective as well as issues being faced by the industry.

Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the performance evaluation of the chairman and Non-Independent Directors was carried out by the Independent Directors in their separate Meeting also reviewed the performance of the Board as whole.

The Nomination and Remuneration Committee has defined the evaluation criteria and procedure for the performance evaluation of the Board of Directors

The Board's functioning was evaluated on various aspects, including inter alia degree of fulfilment of key responsibilities, Board structure and Composition, effectiveness of Board process, information and functioning.

The Directors were evaluated on aspects such as attendance and contribution at Board/ Committee Meetings and guidance /support to the Management outside Board/Committee Meetings. In addition, the Chairman was also evaluated on key aspects of his role, including setting the strategic agenda of the Board and encouraging active engagement of all Board Members.

Evaluation of Independent Directors was done by the entire Board, excluding the director being evaluated.



Prevention of Insider Trading:

The board of Directors has adopted the Insider Trading Policy in accordance with the requirement of the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed and disclosures to be made while dealing with shares of the Company as well as consequences of violation. The Policy has been formulated to regulate, monitor and ensure the reporting of deals by employees and to maintain the highest ethical standard of dealing in the Company's Shares.

The insider trading Policy of the Company covering the code of practices and procedures for fair disclosures of unpublished price-sensitive information and the code of conduct for the prevention of Insider Trading is available on the website: www.lemeriteexports.com

Other Disclosures

- a. The Company does not have any scheme or provision of money for the purchase of its own shares by employees/ Directors or by trustees for the benefit of employees/ Directors;
- b. The Company has not issued equity shares with differential rights as to dividend, voting or otherwise;
- c. The Company has not issued any sweat equity shares/ESOP/ RSUs to its directors or employees; and
- d. There was no revision of financial statements and the Board's report of the Company during the year under review.

Acknowledgement

Your directors wish to thank the Shareholders, Clients, Bankers and Stakeholders at large for their continued support during the year. Your directors also wish to place on record their appreciation for the dedication and commitment of the Employees at all levels.

For and on Behalf of the Board of Directors

Sd/-

Abhishek Lath

Managing Director and CFO

DIN: 00331675

Dated: September 8, 2025

Place: Mumbai

**DIRECTOR'S REPORT****ANNEXURE – I****Form AOC- 1**

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

Statement containing salient features of the financial statement of subsidiaries or associate companies or Joint ventures

Part A Subsidiaries

(Rs. in Lakh)

Sr. No.	Particulars	Name of Subsidiary		
		Le Merite Laxmi Spinning Private Limited	Le Merite Filament Private Limited	Le Merite Tactical & Defence Solutions Private Limited
1	Date since when the subsidiary was acquired	December 15, 2021 (Date of Incorporation)	October 08, 2021 (Date of Incorporation)	June 05, 2025 (Date of Incorporation)
2	The reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2025	March 31, 2025	NA (Since the Company has not completed its Financial Year)
3	Reporting currency and Exchange rate as on the date of the relevant financial year in the case of foreign subsidiaries	INR	INR	INR
4	Share Capital	5.00	1.00	10.00
5	Reserves & Surplus	(244.96)	(4.05)	-
6	Total Assets	233.39	1.90	-
7	Total Liabilities	473.35	4.95	-
8	Investments	-	-	-
9	Turnover	4,713.54	-	-
10	Profit / (Loss) before Taxation	157.03	(0.59)	-
11	Provision for Taxation	-	-	-
12	Profit / (Loss) after Taxation	157.03	(0.59)	-
13	Proposed Dividend	-	-	-
14	% Of shareholding	51%	51%	51%



DIRECTOR'S REPORT

ANNEXURE – II

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

LE MERITE EXPORTS LIMITED

A-307, Boomerang, Chandivali Farm Road,
Powai, Andheri (East), Mumbai-400072P

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Le Merite Exports Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Auditor's Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The

Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of audit including internal, financial and operating controls, there is an unavoidable risk that some material misstatements or material non compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards."

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2025 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 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 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
 - c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - d. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - f. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. **Not Applicable during the year under review.**
 - g. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable during the year under review.**
 - h. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;

- i. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable during the year under review.**
 - j. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable during the period under review.**
- (vi) As confirmed by the management, there are no sector/Industry-specific laws that are applicable specifically to the company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with NSE Limited.

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

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no changes in the composition of the Board of Directors during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in compliance with the provisions of the Act and Rules made thereunder and Secretarial Standards on Board Meetings, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

During the period under review, decisions were carried out with unanimous approval of the Board and no dissenting views were observed, while reviewing the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, circulars, notifications, directions and guidelines.

I further report that during the audit period the Company has not undertaken any event/action having a major bearing on the Company's affairs in pursuance of the



above referred laws, acts, rules, regulations, circulars, notifications, directions, guidelines, standards:

**For Vijay S. Tiwari & Associates
Practicing Company Secretaries**

Sd/-

Vijaykumar Tiwari

Proprietor

COP No. 12220

M. No. 33084

Peer Review Certificate No.: 1679/2022

UDIN: A033084G001107003

Date: 29/08/2025

Place: Mumbai

This report is to be read with our letter of even date which is annexed as Annexure I and forms an integral part of this report.



To,
The Members,
LE MERITE EXPORTS LIMITED
A-307, Boomerang, Chandivali Farm Road,
Powai, Andheri (East), Mumbai-400072

My report 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. My responsibility is to express an opinion on these Secretarial records based on my audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Vijay S. Tiwari & Associates
Practicing Company Secretaries

Sd/-
Vijaykumar Tiwari
Proprietor
COP No. 12220
M. No. 33084
Peer Review Certificate No.: 1679/2022
UDIN: A033084G001107003

Date: 29/08/2025
Place: Mumbai

DIRECTOR'S REPORT

ANNEXURE – III

PARTICULARS OF MANAGERIAL REMUNERATION

Statement pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. Ratio of remuneration of each Director to the Median remuneration of the employees of the Company for the F Y 2024-25 as well as the percentage increase in remuneration of each Director:

Name of Director	Ratio to Median Remuneration	% Change in Remuneration over the previous year*
Executive Director		
Mr. Umashankar Lath (Chairman and Managing Director)	215.77%	(75)%
Mr. Abhishek Lath (Managing Director and CFO)	316.47%	(75)%
Mrs. Sweta Lath (Executive Director)	201.39%	(75)%
Key Managerial Personnel		
Mr. Sandeep Poddar (Company Secretary and Compliance Officer)	210.02%	36.76%

B. Percentage increase in median remuneration in the FY 2024-25: 6.52%

C. Number of Permanent employees on the roll of the Company as on 31/03/2025: 25

D.

Particulars	% Change in Remuneration*
Average percentile increase/decrease in Salary of employees other than managerial personnel	(5.55)%
Average percentile increases/decrease in remuneration of managerial personnel	(69.44)%

E. Affirmations: It is affirmed that the remuneration paid to the directors, key managerial personnel, and other employees is per the Company's Remuneration Policy.



DIRECTOR'S REPORT

ANNEXURE – IV

CFO Certification on Code of Conduct

The Board of Directors

Le Merite Exports Limited

A-307, Boomerang, Chandivali Farm Road,

Powai, Andheri (East)

Mumbai-400072

I the undersigned; in my capacity as Chief Financial Officer of **LE MERITE EXPORTS LIMITED** ("the Company"), to the best of our knowledge and belief, hereby certify that;

- (a) We have reviewed the financial statements and the cash flow statements of the Company for the year ended March 31, 2025, and:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws, and regulations.
- (b) There are no transactions entered into by the company during the year ended March 31, 2025, which are fraudulent, illegal or violate the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting.
- (d) We have indicated to the Auditors and the Audit Committee:
 - (i) Significant changes in accounting policies during the year and the same has been disclosed in the notes to the financial statements; and
 - (ii) Instances of significant fraud either by the management or an employee having a significant role in the Company's internal control system of financial reporting.

For LE MERITE EXPORTS LIMITED

Sd/-

Abhishek Lath

Managing Director and CFO

DIN: 00331675

Place: Mumbai

Date: September 8, 2025



**Certificate Of Compliance with Code Of Conduct Policy
[Regulation 34(3) read with Schedule V (Part D) of the SEBI (LODR)
Regulations, 2015]**

In accordance with SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, we hereby confirm that, all the Directors and the Senior Management personnel of the Company have confirmed compliance with their respective Codes of Conduct, as applicable to them, for the financial year ended March 31, 2025.

For LE MERITE EXPORTS LIMITED

Sd/-
Abhishek Lath
Managing Director and CFO
DIN: 00331675

Place: Mumbai
Date: September 8, 2025

**DIRECTOR'S REPORT****ANNEXURE – V****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

CSR Report for the financial year ended March 31, 2025

[Pursuant to Section 135 of the Companies Act, 2013]

- 1. A brief outline of the Company's CSR policy, including an overview of projects or programmes proposed to be undertaken and a reference to the web link to the CSR policy and projects or programmes.**

LMEL is committed to supporting vulnerable groups within the community. The company has expanded its corporate social responsibility (CSR) programs to include a wider range of societal segments, providing aid to the disadvantaged, poor, and marginalized populations. Additionally, LMEL is developing social infrastructure to promote their welfare. Details of the CSR Policy are available on the company's website. You can view the policy at www.lemeriteexports.com.

- 2. The Composition of the CSR Committee.**

Sr. No.	Name of Director	Designation	No. of CSR Committee Meetings Held during the year	No. of CSR Committee Meetings attended during the year
1	Mr. Rohit Agrawal	Chairman	1	1
2	Mr. Abhishek Lath	Member	1	1
3	Mrs. Sweta Lath	Member	1	1

- 3. Provide the web link where the Composition of the CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

<https://www.lemeriteexports.com/corporate-social-responsibility.html>

- 4. Provide the details of the Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).**

- Not Applicable

- 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the amount required for set off for the financial year, if any**

Sr. No	Financial Year	The amount available for set-off from preceding financial years (Rs.)	The amount required to be set off for the financial year, if any (Rs.)
1	NA		

6. Average net profit of the company as per section 135(5): Rs. 12,93,02,336 /-

7. (a) Two per cent of the average net profit of the company: Rs. 25,86,046/-
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**
 (c) Amount required to be set off for the financial year, if any: **Not Applicable**
 (d) Total CSR obligation for the financial year: **NIL**

8. (a) CSR amount spent or unspent for the financial year: **NIL**

Total Amount Spent for the Financial Year (Rs.)	Amount Unspent (Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		The amount transferred to any fund specified under Schedule VII as per the second proviso to section 135(5).		
	Amount (Rs.)	Date of Transfer	Name of Fund	Amount	Date of Transfer
-	-	-	-	-	-

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

(c) Details of CSR amount spent against other than ongoing projects for the financial year: **Not Applicable**

(d) Amount spent on Administrative Overheads: **Nil**

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **NIL**

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

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (Rs.)	Amount spent in the reporting Financial Year (Rs.)	The amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years.
				Name of Fund	Amount (Rs.)	Date of Transfer	
1	2022-23	Nil	4,83,430	Not Applicable			Nil
2	2023-24	26,95,402	18,59,790	Not Applicable			Rs. 8,35,612

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was Commenced	Project Duration	Total Amount Allocated for the Project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year	Status of the project - Completed / Ongoing
1	CSR-22/23-026	Astitva Women Education & Empowerment Foundation	2022-23	Ongoing/ Multi-Year	25,000	25,000	25,000	Ongoing/ Multi-Year
2	CSR-22/23-027	Katakhali Swapno Purna	2022-23	Ongoing/ Multi-Year	25,000	25,000	25,000	Ongoing/ Multi-Year
3	CSR-22/23-028	Pratirodh Sansthan	2022-23	Ongoing/ Multi-Year	50,000	50,000	50,000	Ongoing/ Multi-Year
4	CSR-22/23-029	Shree Naresh Raut	2022-23	Ongoing/ Multi-Year	25,000	25,000	25,000	Ongoing/ Multi-Year
5	CSR-22/23-030	The Earth Savior	2022-23	Ongoing/ Multi-Year	11,000	11,000	11,000	Ongoing/ Multi-Year
6	CSR-22/23-031	Arpan Charitable Trust	2022-23	Ongoing/ Multi-Year	25,000	25,000	25,000	Ongoing/ Multi-Year
7	CSR-22/23-032	Disha Foundation	2022-23	Ongoing/ Multi-Year	25,000	25,000	25,000	Ongoing/ Multi-Year
8	CSR-22/23-033	Dream Girl Foundation	2022-23	Ongoing/ Multi-Year	44,000	44,000	44,000	Ongoing/ Multi-Year
9	CSR-22/23-034	The Earth Foundation	2022-23	Ongoing/ Multi-Year	11,000	11,000	11,000	Ongoing/ Multi-Year
10	CSR-22/23-035	National Organisation For Social Empowerment	2022-23	Ongoing/ Multi-Year	25,000	25,000	25,000	Ongoing/ Multi-Year
11	CSR-22/23-036	Somvansi Kshtriya Samaj	2022-23	Ongoing/ Multi-Year	51,000	51,000	51,000	Ongoing/ Multi-Year
12	CSR-22/23-037	Kokan Kala Va Shikshan Vikas Sanstha	2022-23	Ongoing/ Multi-Year	57,000	57,000	57,000	Ongoing/ Multi-Year

13	CSR-22/23-038	The Earth Saviour Foundation	2022-23	Ongoing/ Multi-Year	28,430	28,430	28,430	Ongoing/ Multi-Year
14	CSR-22/23-039	Adharwad Niradhar and Apang	2022-23	Ongoing/ Multi-Year	31,000	31,000	31,000	Ongoing/ Multi-Year
15	CSR-22/23-040	Gram Vikas Trust	2022-23	Ongoing/ Multi-Year	50,000	50,000	50,000	Ongoing/ Multi-Year
16	CSR-23/24-001	Asha Foundation	2023-24	Ongoing/ Multi-Year	62,490	62,490	62,490	Ongoing/ Multi-Year
17	CSR-23/24-002	New Mighty Grace Charitable Trust	2023-24	Ongoing/ Multi-Year	35,000	35,000	35,000	Ongoing/ Multi-Year
18	CSR-23/24-003	Help Age India	2023-24	Ongoing/ Multi-Year	50,000	50,000	50,000	Ongoing/ Multi-Year
19	CSR-23/24-004	Women In Need Given Support	2023-24	Ongoing/ Multi-Year	60,300	60,300	60,300	Ongoing/ Multi-Year
20	CSR-23/24-005	DREAM GIRL FOUNDATION	2023-24	Ongoing/ Multi-Year	30,000	30,000	30,000	Ongoing/ Multi-Year
21	CSR-23/24-006	The Earth Saviour Foundation	2023-24	Ongoing/ Multi-Year	44,000	44,000	44,000	Ongoing/ Multi-Year
22	CSR-23/24-007	Blind And Cancer Care Foundation	2023-24	Ongoing/ Multi-Year	27,000	27,000	27,000	Ongoing/ Multi-Year
23	CSR-23/24-008	Pratirodh Sanstha	2023-24	Ongoing/ Multi-Year	75,000	75,000	75,000	Ongoing/ Multi-Year
24	CSR-23/24-009	National Organisation For Social Empowerment	2023-24	Ongoing/ Multi-Year	30,000	30,000	30,000	Ongoing/ Multi-Year
25	CSR-23/24-010	Kokan Kala Va Shikshan Vikas Sanstha	2023-24	Ongoing/ Multi-Year	38,000	38,000	38,000	Ongoing/ Multi-Year
26	CSR-23/24-011	Disha Foundation	2023-24	Ongoing/ Multi-Year	35,000	35,000	35,000	Ongoing/ Multi-Year
27	CSR-23/24-012	Aakansha Social Foundation	2023-24	Ongoing/ Multi-Year	30,000	30,000	30,000	Ongoing/ Multi-Year
28	CSR-23/24-013	Arpan Charitable Trust	2023-24	Ongoing/ Multi-Year	30,000	30,000	30,000	Ongoing/ Multi-Year



29	CSR-23/24-014	Hanuman Prasad Poddar	2023-24	Ongoing/ Multi-Year	12,80,000	12,80,000	12,80,000	Ongoing/ Multi-Year
30	CSR-23/24-015	The Earth Saviour Foundation	2023-24	Ongoing/ Multi-Year	33,000	33,000	33,000	Ongoing/ Multi-Year

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

**DIRECTOR'S REPORT****ANNEXURE – VI****CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To

The Members,

LE MERITE EXPORTS LIMITED

A-307, Boomerang, Chandivali Farm Road,
Powai, Andheri (East), Mumbai-400072

Subject: Certificate in pursuance of paragraph number C. 10(I) of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ending on 31st March, 2025.

Dear Sir/Madam,

In pursuance of sub-clause (i) of clause 10 of Part C of Schedule V of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) listed entity is required to disclose in its annual report the certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

As on date of issue of this certificate, the Board of Directors of Le Merite Exports Limited ("the Company"), a listed entity, is comprised of following Directors.

Sr. No.	DIN	Name of Director	Designation	Appointment Date on Current Designation
1.	05135035	Mr. Umashankar Lath	Chairman & Managing Director	18.11.2021
2.	00331675	Mr. Abhishek Lath	CFO & Managing Director	18.11.2021
3.	07213314	Mrs. Sweta Lath	Executive Director	18.11.2021
4.	06952808	Mr. Jaydeep Purujit Mehta	Non-Executive Independent Director	25.01.2022
5.	09439120	Mr. Narendra Kumar Srivastava	Non-Executive Independent Director	25.01.2022



6.	01924587	Mr. Rohit Agarwal	Non-Executive Independent Director	25.01.2022
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For the purpose, I have considered and examined annual submissions made by each Director of the Company in pursuance of provisions of section to section 164(2) read with rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014, relevant information as displayed on the website of the Securities and Exchange Board of India as well on the website of the Ministry of Corporate Affairs and information generally available on public domain.

And based on above; I state that none of the Directors on the board of the Company has been debarred or disqualified from being appointed or continuing as director of companies for the Financial Year ending on 31st March, 2025, by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

**For Vijay S. Tiwari & Associates
Practising Company Secretaries**

Sd/-

Vijay Kumar Tiwari

Proprietor

ACS: 33084

COP: 12220

Peer Review Certificate No.: 1679/2022

UDIN: A033084G001107399

Date: 29/08/2025

Place: Mumbai

DIRECTOR'S REPORT**ANNEXURE – VII****CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Information as required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is set out hereunder.

a. CONSERVATION OF ENERGY**(i). Steps taken for conservation of energy:**

- Installation of energy-efficient motors and variable frequency drives (VFDs) to reduce power usage in spinning, weaving, and dyeing units.
- Replacement of conventional lighting systems with LED lights across manufacturing facilities and administrative offices.
- Implementation of waste heat recovery systems in boilers to optimize steam usage and reduce fuel consumption.
- Optimization of production processes through automation and real-time monitoring, resulting in lower energy wastage.
- Use of renewable energy sources, including partial reliance on solar power for certain operations.
- Regular energy audits conducted to identify and rectify areas of energy losses.
- Awareness programs conducted for employees to encourage energy conservation practices at the workplace.
- Reduction of water consumption by recycling and reusing water in dyeing and finishing processes.
- Upgradation of machinery with modern, energy-efficient equipment to enhance productivity and minimize operational costs.
- Monitoring of specific energy consumption (SEC) to ensure continuous improvement in energy efficiency across all production lines.

ii. Steps taken by the Company for utilizing alternate sources of energy:

- Exploring and adopting renewable energy options, such as solar and wind power, to partially meet operational energy requirements.
- Utilizing eco-friendly fuels like biomass and other alternatives to reduce reliance on non-renewable energy sources.
- Implementing natural lighting and ventilation systems in facilities to reduce electricity consumption during daytime operations.

iii. Capital Investments on energy conservation equipment:

Your Company has invested NIL towards energy conservation equipment.



b. TECHNOLOGY ABSORPTION

i. Efforts made towards technology absorption:

With the objective of making education simple and hassle-free, the Company continues its technology driven business initiatives to deliver value through continuous technology innovation and adoption.

ii. The benefits derived like product improvement, cost reduction, product development or import substitution:

Your Company's efforts in quality, maintenance and product enhancement have resulted in better quality products at a low cost of production.

iii. Information regarding imported technology: Nil

iv. The expenditure incurred on research and development: Nil



INDEPENDENT AUDITOR'S REPORT

To the Members of LE MERITE EXPORTS LIMITED,

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **LE MERITE EXPORTS LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2025, and the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, Companies (Accounting Standards) Amendment Rules 2016 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and its profit, 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 Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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



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

The key audit matters	How our audit addressed the key audit matter
Valuation of Inventory - Refer to Notes 16 and 24 to the standalone financial statements	
<p>The Company’s inventory primarily comprises cotton, yarn and fabric. Inventories are valued at lower of cost or net realizable value. There is a risk that inventories may be stated at values that are more than their net realizable value (‘NRV’).</p> <p>We have identified the valuation of inventories as a key audit matter as the Company held significant inventories and significant degree of management judgment was involved in valuing the inventories.</p>	<ul style="list-style-type: none"> • Evaluating the accounting policy followed for valuation of inventory and appropriateness thereof with respect to relevant accounting standards in this respect. • Obtained an understanding of and performed the test for design, implementation and operating effectiveness of the Company’s key internal controls over the process for valuation of inventories. • For work-in-progress and finished goods, we understood the determination of the net realizable value and assessing, testing and evaluating the reasonableness keeping in view the significant judgments applied by the management concerning overhead allocation by assessing the cost of the items included in overhead absorption for selected samples. • In connection with NRV testing, we have compared carrying value to the selling price prevailing around and subsequent to the year end for the selected samples.

Information Other than the Financial Statements and Auditor’s Report Thereon.

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Board’s report including Annexure to Board’s but does not include the Standalone Financial Statements and our auditor’s report thereon.

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



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

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

Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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



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

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

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



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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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.

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 Company does not have any branches therefore the reporting under this clause is not applicable.
- (d) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of accounts.
- (e) In our opinion, the aforesaid Standalone financial statements comply with the AS specified under Section 133 of the Act.
- (f) There are no observations or comments on financial transactions or matters which have any adverse effect on the functioning of the company.

- (g) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
- (h) There is no qualification, reservation or adverse remark relating to maintenance of accounts and other matters connected therewith. Hence, there is no need to include this.
- (i) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”, to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- (j) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended,
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act.
- (k) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed details regarding pending litigations in note 28 of the standalone financial statements, which would impact its financial position.
 - 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, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner



whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The Company has declared and paid a dividend at the rate of 2% during the financial year 2024-25, which pertains to the annual dividend for the financial year 2023-24.
- vi. Based on our examination of the books of account and other relevant records of the Company, and according to the information and explanations given to us, we report that the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility.
Further, in accordance with the requirements of the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, applicable with effect from April 1, 2023, the audit trail feature has been operated throughout the financial year ended March 31, 2025, for all transactions recorded in the software, and the audit trail has not been tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

**For,
Nagori Nuwal & Co.,
Chartered Accountants,
F.R.N.: 08185C**

**Place: Mumbai
Date: 28-05-2025
UDIN: 25076554BNIAPA8974**

**CA Shankar Lal Laddha
Partner
Membership No.: 076554**

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in Report on Other Legal and Regulatory Requirements of our Report of even date)

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

- i.
 - a) (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 assets, hence no disclosure is required in this regard.
 - b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.
 - c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 10 to the standalone financial statements are held in the name of the Company.
 - d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii.
 - a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate.
 - b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the monthly returns or statements filed by the Company with such banks which include value

of inventories and export debtors are in agreement with the books of account of the Company subject to our key audit matter on valuation of inventories.

iii. The Company has granted unsecured loans to parties, during the year, in respect of which:

a) The Company has provided loans during the year, and details of which are given below:

Particulars	Aggregate amount of Loan granted during the year (In INR Lakhs)	Balance outstanding as at balance sheet date (In INR Lakhs)
- Subsidiaries	32.93	420.37
- Other than subsidiaries	1041.05	899.89

b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, are not prejudicial to the Company's interest.

c) The Company has granted loans that are repayable on demand. In such cases, no schedule of repayment of principal and payment of interest has been stipulated, and accordingly, we are unable to comment on the regularity of repayment of principal and interest. Further, we have not received the ledger confirmations for loans granted to persons other than subsidiaries.

d) The Company has granted loans and advances in the nature of loans during the year amounting to INR 899.89 lakhs, which are repayable on demand or without specifying any terms or period of repayment. These loans represent 100% of the total loans granted during the year. However, none of these loans or advances have been granted to promoters or related parties as defined under Section 2(76) of the Companies Act, 2013.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and security, as applicable.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year. Hence, clause (v) of paragraph 3 of the Order is not applicable.

- vi. We are informed that the Central Government has not prescribed maintenance of cost records under sub-section (l) of Section 148 of the Companies Act, 2013 in respect of the activities carried on by the Company. Hence, clause (vi) of paragraph 3 of the Order is not applicable.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, duty of customs, duty of excise, Goods & Services Tax and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of income tax, duty of customs, duty of excise, Goods & Services Tax and other material statutory dues in arrears 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 dues of Income-tax or Sales tax or Service tax or Goods and Services tax or duty of Customs or duty of Excise or Value added tax which have not been deposited by the Company on account of disputes and all past disputes have been resolved under the Maharashtra VAT Amnesty Scheme, 2022.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during year in the tax assessments under the Income Tax Act, 1961.
- ix.
- (a) The company has not defaulted in repayment of loans or other borrowings or in payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The term loans taken by the company has been applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the Standalone Financial Statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

- (e) On an overall examination of the Standalone 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.
 - (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x.
 - (a) In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and hence reporting under clause 3(x)(a) of the Order is not applicable to the Company.
 - (b) In our opinion and according to the information and explanation given to us, during the year, the Company has made preferential allotment of equity shares in accordance with the provisions and requirements of the Act and the Rules framed thereunder and the fund raised has been used for the purpose for which the fund were raised. The Company has not made private placement of fully or partly convertible debentures during the year.
- xi.
 - (a) No fraud by the Company and no material 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 and up to the date of this report.
 - (c) No whistle blower complaints were received by the company for year ended 2024-25.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

- xiv.
- (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 - (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the companies Act, 2013 are not applicable to the company.
- xvi.
- (a) In our opinion, 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), (b) and (c) of the Order is not applicable.
 - (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone 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. The Company was not required to spend any amount on Corporate Social Responsibility (CSR) activities for the financial year 2024-25 in accordance with the provisions of Section 135(1) of the Companies Act, 2013, as it did not meet any of the prescribed thresholds in the immediately preceding financial year.

(a) In respect of other than ongoing projects, the Company has spent Rs.23,43,220/- and Rs.4,83,680/- during the current year towards the shortfall of CSR obligations pertaining to financial years 2023-24 and 2022-23 respectively. Further, the balance unspent amount relating to the CSR obligation of FY 2023-24 was transferred on 29th April 2024 to a separate Unspent CSR Account with ICICI Bank, in compliance with Section 135(6) and 135(7) of the Companies Act, 2013, and is proposed to be utilised within the prescribed time frame of the next two financial years.

(b) In respect of ongoing projects, there are no unspent amounts in respect of CSR, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.

**For,
Nagori Nuwal & Co.,
Chartered Accountants,
F.R.N.: 08185C**

**Place: Mumbai
Date: 28-05-2025
UDIN: 25076554BNIAPA8974**

**CA Shankar Lal Laddha
Partner
Membership No.: 076554**

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(e) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the internal financial controls over financial reporting of **LE MERITE EXPORTS LIMITED** ('the Company') as of 31st March, 2025 in conjunction with our audit of the Standalone 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 Standards issued by the Institute of Chartered Accountants of India (the 'Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls and, 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 the 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 auditors' judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls 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 Standalone 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls 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, 2025, 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 Financials Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For,
Nagori Nuwal & Co.,
Chartered Accountants,
F.R.N.: 08185C**

**Place: Mumbai
Date: 28-05-2025
UDIN: 25076554BNIAPA8974**

**CA Shankar Lal Laddha
Partner
Membership No.: 076554**



STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH 2025

CIN: L17111MH2003PLC143645

(Amount in Lakhs)

Particulars	Note	As at 31st March, 2025 (Audited)	As at 31st March, 2024 (Audited)
<u>EQUITY AND LIABILITIES</u>			
(1) Shareholders' Funds			
Share Capital	2	2,429.86	2,348.10
Reserves and Surplus	3	8,833.97	7,258.03
Money received against share warrants		246.71	-
		11,510.53	9,606.13
(2) Share application money pending allotment			
		-	-
(3) Non-Current Liabilities			
Long-Term Borrowings	4	1,271.94	183.65
Other Long Term Provisions	5	30.86	24.23
		1,302.80	207.89
(4) Current Liabilities			
Short-Term Borrowings	6	9,021.25	8,682.22
Trade Payables	7		
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,951.95	1,184.71
Other Current Liabilities	8	172.58	88.57
Short-term Provisions	9	9.18	2.99
		11,154.96	9,958.50
Total		23,968.28	19,772.52
<u>ASSETS</u>			
(1) Non-Current Assets			
Property Plant and Equipment and Intangible Assets			
Property Plant and Equipment	10	1,136.78	209.89
Capital work-in-progress	10	-	831.79
Non-Current Investments	11	195.74	121.10
Deferred Tax Asset	12	6.81	9.91
Long Term Loans and Advances	13	420.37	353.39
Other Non Current Asset	14	253.31	233.10
		2,013.01	1,759.18
(2) Current Assets			
Current Investments	15	162.48	103.23
Inventories	16	1,112.89	1,566.82
Trade Receivables	17	11,572.36	8,898.29
Cash and Cash Equivalents	18	5,376.73	4,490.76
Short-Term Loans and Advances	19	3,231.05	2,730.62
Other Current Assets	20	499.75	223.60
		21,955.27	18,013.32
Total		23,968.28	19,772.52

As per our report of even date

For Nagori Nuwal & Co
Chartered Accountant
(FRN 08185C)

CA Shankar Lal Laddha
Partner
(Membership No 76554)
UDIN: 25076554BNIAPA8974
Place: Mumbai
Date: May 28, 2025

For and on behalf of Board of Directors
of Le Merite Exports Limited

Abhishek Lath
MD & CFO
(DIN - 00331675)

Umashakar Lath
Chairman & MD
(DIN - 05135035)



STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2025

CIN: L17111MH2003PLC143645

(Amount in Lakhs)

Particulars	Note	Year ended	
		31st March, 2025 (Audited)	31st March, 2024 (Audited)
(A) REVENUE			
Revenue From Operations	21	48,011.39	46,810.49
Other Income	22	880.24	370.93
Total Income		48,891.62	47,181.42
(B) EXPENDITURE			
Purchases	23	43,889.15	43,356.30
Changes in Inventories	24	453.92	48.95
Employee Benefits Expenses	25	230.91	351.25
Finance Costs	26	902.18	736.04
Depreciation and Amortization Expense	10	117.64	46.61
Other Expenses	27	2,589.68	2,411.51
Total Expenditure		48,183.49	46,950.67
Profit Before Exceptional and Extraordinary Items and Tax		708.13	230.75
Exceptional Items		-	-
Profit Before Extraordinary Items and Tax		708.13	230.75
Extraordinary Items		-	-
Profit Before Tax		708.13	230.75
Tax Expense:			
(1) Current tax		175.00	60.00
(2) Deferred tax		3.10	(3.56)
(3) Excess / Short Tax Provision W/off		-	-
Profit for the year		530.04	174.30
Earning per equity share of the face value of Rs.10/- each			
(1) Basic	30	2.25	0.74
(2) Diluted	30	2.21	0.74
As per our report of even date			
For Nagori Nuwal & Co Chartered Accountant (FRN 08185C)		For and on behalf of Board of Directors of Le Merite Exports Limited	
CA Shankar Lal Laddha Partner (Membership No 76554) UDIN: 25076554BNIAPA8974 Place: Mumbai Date: May 28, 2025		Abhishek Lath MD & CFO (DIN - 00331675)	Umashakar Lath Chairman & MD (DIN - 05135035)



STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025
CIN: L17111MH2003PLC143645

(Amount in Lakhs)

Particulars		As at 31st March, 2025 (Audited)	As at 31st March, 2024 (Audited)
A. Cash flow from Operating Activities			
Profit/(loss) before tax		708.13	230.75
Adjustment For :			
Depreciation		117.64	46.61
Provisions		12.81	(24.72)
Operating Profit/(Loss) before Working Capital changes		838.59	252.64
Adjustment for increase/decrease in:			
Increase / Decrease in trade payables		767.24	(916.70)
Increase / Decrease in other current liabilities		84.01	(132.32)
Increase / Decrease in inventories		453.93	48.95
Increase / Decrease in trade receivables		(2,674.07)	317.36
Increase / Decrease in short term loans & advances		(500.43)	571.52
Increase / Decrease in other non current asset		(20.21)	0.75
Increase / Decrease in other current assets		(276.13)	(70.41)
Operating Profit/(Loss) after Working Capital changes		(1,327.09)	71.79
Operating Profit/(Loss) before Tax		(1,327.09)	71.79
Less : Tax Paid (Net)		(175.00)	(60.00)
Net Cash generated from Operating Activities	(A)	(1,502.09)	11.79
B. Cash flow from Investment Activities			
Payment towards capital expenditure		-	(135.07)
Payment towards fixed assets		(212.74)	(6.60)
Non-Current Investments		(74.64)	-
Current Investments		(59.25)	(23.90)
Net Cash From Investment Activities		(346.62)	(165.57)
C. Cash flow from Financing Activities			
Increase in Long Term Borrowings		1,088.28	39.54
Increase in Short Term Borrowings		339.02	562.22
Proceeds from fresh issue of equity shares (preferential allotment)		1,197.78	-
Money received against share warrants		246.71	-
Expenses incurred for issue of shares		(13.66)	-
Expenses incurred for increasing authorised capital		(9.50)	-
Dividend Paid		(46.96)	(117.41)
Long Term Loans and Advances		(66.98)	(37.77)
Net Cash from Financing Activities	(C)	2,734.69	446.59
Net (Decrease)/Increase in Cash and Cash Equivalents	(A+B+C)	885.99	292.80
Cash and Cash Equivalents at the beginning of the year		4,490.75	4,197.95
Cash and Cash Equivalents as at the end of the year		5,376.74	4,490.75
Components of cash and cash equivalents			
Cash in hand		32.95	28.13
Balances with banks		5,343.78	4,462.62
Total		5,376.73	4,490.75

1) All figures in brackets are outflow

2) Previous year's figures have been regrouped/reclassified wherever necessary to this year's classification

As per our report of even date

For Nagori Nuwal & Co
Chartered Accountant
(FRN 08185C)

For and on behalf of Board of Directors
of Le Merite Exports Limited

CA Shankar Lal Laddha
Partner
(Membership No 76554)
UDIN: 25076554BNIPA8974
Place: Mumbai
Date: May 28, 2025

Abhishek Lath
MD & CFO
(DIN - 00331675)

Umashakar Lath
Chairman & MD
(DIN - 05135035)

Note 1: Statement of Significant Accounting Policies**a) Basis of Preparation**

The standalone financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these standalone financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read with paragraph 7 of the Companies (Accounts) Rules 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The standalone financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of standalone financial statements are consistent with those of previous year.

Use of Estimates:

The preparation of standalone financial statements is in conformity with Indian GAAP, requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost (or revalued amounts, as the case may be) less accumulated depreciation/amortization and impairment losses, if any.

Cost includes purchase price, taxes and duties as applicable, freight, and other incidental expenses incurred till the commencement of commercial production. Incidental expenses include establishment expenses, interest on borrowed funds used for qualifying assets and other related direct costs attributable to the same.

Capital Work in Progress includes pre-operative and other incidental expenses pending allocation/ apportionment in respect of the uninstalled/ incomplete fixed assets.

c) Intangible Assets

Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortization and cumulative impairment.

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

Intangible assets are amortized over their useful life.

d) Depreciation on Property, Plant and Equipment

Depreciation on Property, Plant and Equipment is calculated on a WDV basis using the rates arrived at based on the useful lives of fixed assets specified by Schedule II to the Companies Act, 2013.

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.

e) Impairment

The carrying amounts of assets are reviewed at each balance sheet date, to check if there is any indication of impairment based on internal/external factors.

An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

f) Investments

Long term investments are carried at cost less provision for permanent diminution, if any, in value of such investments. Current investments are carried at lower of cost and fair value.

g) Borrowing costs:

Borrowing costs attributable to the acquisition and construction of qualifying assets up to the date of such acquisition or construction are capitalized as part of the cost of respective assets. Other borrowing costs are charged to statement of profit and loss of the period in which they are incurred.

h) Leases:

i) Finance lease:

Assets acquired under finance leases are recognized as an asset and a liability at the commencement of the lease, at the lower of the fair value of the assets and the present value of minimum lease payments. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Assets given under finance leases are recognized as receivables at an amount equal to the net investment in the lease and the finance income is based on a constant rate of return on the outstanding net investment.

ii) Operating lease:

Leases other than finance lease, are operating leases, and the leased assets are not recognized on the Company's Balance Sheet. Payments / rental income under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

i) Inventories

Inventories are valued at lower of cost or net realizable value, after providing for obsolescence and damages as follows:

Cost is ascertained as,

a)	Raw Material, Packing Material & Stores and Spares	At cost, on FIFO/ weighted average basis.
b)	Finished goods	At cost, plus appropriate production overheads if applicable.
c)	Material in Process	At Cost, plus appropriate production overheads.

Net realizable value is estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses.

j) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Goods

Sales is recognized, net of returns and trade discounts, on transfer of significant risk and rewards of ownership to the buyer, which generally coincide with the delivery of goods to the customers. Sales include income from services, export incentives and exchange fluctuations, other recurring and non-recurring incentives from the Governments. The Company collects Goods and Service Tax (GST) and / or Tax Collected at source on behalf of the government and, therefore, these do not form a part of economic benefits flowing to the Company. Hence, they are excluded from revenue.

Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Service Income

Income from service rendered is recognised based on the terms of the agreements as and when services are rendered and are net of Goods and Service Tax (GST)/ Service tax.

Dividend Income

Dividend income from investments, if any, is accounted on the receipt basis.

Export Incentives

Income from Exports Incentives received for Export Sales such as Duty Drawback or RoDTEP Licenses is recognized as income on Accrual basis together with the Export Sales.

k) Foreign Currency Translation

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported into rupees at the rate of exchange prevailing on the date of Balance Sheet. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

l) Employee benefits**(i) Defined Contribution Plan**

The Company contributes to Government Provident Fund Scheme. The Company's contribution paid/ payable under the scheme is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

(ii) Defined Benefit Plan

The Company's liabilities on account of gratuity and leave encashment are determined at the end of each financial year on the basis of actuarial Valuation as per requirements of Accounting Standard 15 on "Employee Benefits".

m) Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences 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.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

n) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year

attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of preferential issue/ allotment of equity shares. For the purpose of calculating diluted earnings per shares, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

o) Provisions

A provision is recognized when the company has a present obligation as a result of 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

p) Contingent liabilities

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 standalone financial statements.

q) Cash and Cash equivalents

Cash and cash equivalents for the purpose of Cash flow statement comprise of cash at bank and in hand and short-term investments with an original maturity of three months or less.

r) Research and Development

Revenue expenditure on research is expensed under respective heads of account in the period in which it is incurred. Capital expenditure is shown as addition to fixed assets.

s) Cash Flow Statement

The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard 3 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the Company. Cash and cash equivalents presented in the Cash Flow Statement consist of cash on hand and demand deposits with banks.



Note 2: **SHARE CAPITAL**

(Amount in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Authorised Share Capital 3,50,00,000 (P.Y. 2,50,00,000) Equity Shares of Rs 10 each	3,500.00	2,500.00
Issued, Subscribed and paid up : 2,42,98,600 (P.Y. 2,34,81,000) Equity Shares of Rs 10 each fully paid up	2,429.86	2,348.10
Total	2,429.86	2,348.10

Terms and Rights attached to Equity Shares:

The Company has only one class of Equity Shares having a par value of Rs.10/- per share. The holders of the Equity Shares are entitled to dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

Note:

In addition, pursuant to the approval granted by the shareholders at the Extraordinary General Meeting held on August 19, 2024, the Board of Directors, in its meeting held on November 27, 2024, allotted 14,91,200 convertible equity warrants on a preferential basis at a price of Rs.146.50/- per warrant, following receipt of in-principle approval from the National Stock Exchange (NSE).

As per the terms of the issue, 25% of the warrant price (Rs.36.625/- per warrant) was received at the time of allotment, with the remaining 75% payable upon conversion into equity shares. Each warrant entitles the holder to convert it into one equity share of the Company within 18 months from the date of allotment, at the holder's option.

During the reporting period, 8,17,600 warrants were converted into equity shares upon receipt of the balance amount. As of March 31, 2025, 6,73,600 warrants remain outstanding and are eligible for conversion within the stipulated period.

As of March 31, 2025, 8,17,600 equity shares arising from the conversion of warrants remain unlisted, as the Company's application for listing these shares with the National Stock Exchange (NSE) is currently under process.

The total number of equity shares of the Company stand at 2,42,98,600 shares of Rs.10/- each, out of which 2,34,81,000 shares are listed on NSE as of March 31, 2025.

2.1 The details of shareholders holding more than 5% equity shares in the company:

Name of the Shareholder	As at 31st March, 2025		As at 31st March, 2024	
	No of Shares	% of Total Shares	No of Shares	% of Total Shares
Abhishek Umashankar Lath	53.24	21.91%	53.01	22.58%
Asha Umashankar Lath	64.64	26.60%	68.34	29.10%
Umashankar Naharmal Lath	10.95	4.51%	20.25	8.62%
Shweta Lath	8.52	3.51%	15.90	6.77%
Umashankar Naharmal Lath HUF (Karta)	13.80	5.68%	13.80	5.88%
	151.16		171.30	

2.2 Disclosure of Promoters Holding:

Name	As at 31st March, 2025		As at 31st March, 2024		% Change during the year
	No of Shares	% of Total Shares	No of Shares	% of Total Shares	
Abhishek Umashankar Lath	53.24	21.91%	53.01	22.58%	-0.43%
Asha Umashankar Lath	64.64	26.60%	68.34	29.10%	5.41%
Umashankar Naharmal Lath	10.95	4.51%	20.25	8.62%	45.91%
Shweta Lath	8.52	3.51%	15.90	6.77%	46.39%
Abhishek Umashankar Lath HUF (Karta)	0.01	0.00%	0.01	0.00%	0.00%
Umashankar Naharmal Lath HUF (Karta)	13.80	5.68%	13.80	5.88%	0.00%
	151.17		171.31		11.76%

2.3 The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31st March, 2025	As at 31st March, 2024
Equity shares at the beginning of the year	234.81	234.81
Add : Equity shares issued during the year	8.18	-
Equity Shares at the end of the year	242.99	234.81

Note 3: **RESERVES AND SURPLUS**

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	No of Lakhs	% of Total	No of Lakhs	% of Total
Profit and loss Account				
As per last Balance sheet	3,268.35		3,241.45	
Less: Excess / Short Tax Provisions Previous Years	-		30.00	
Less: Dividend Paid	46.96		117.41	
Less: Fees for increase in Authorised Share Capital	9.5		-	
Less: Preferential Issue Expenses	13.66		-	
Add: Profit for the year	530.04	3,728.26	174.30	3,268.35
Securities Premium	5,105.70	5,105.70	3,989.67	3,989.67
Total		8,833.97		7,258.03

LE MERITE EXPORTS LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2025
Note 4: LONG TERM BORROWINGS

(Amount in Lakhs)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	Non Current	Current	Non Current	Current
Secured Loans				
Jaguar Car Loan	5.64	16.13	21.76	15.01
Jeep Car Loan	3.31	6.26	9.58	5.82
Tata Harrier Car Loan A	3.11	5.02	8.13	4.63
Tata Harrier Car Loan B	5.57	3.57	9.14	3.30
Audi Q3 Car Loan	18.46	4.31		
Unsecured Loans				
From Directors & Shareholders	1,235.85		135.05	-
Total	1,271.94	35.28	183.65	28.76

4.1 Unsecured Loans consist of Loan from Related Party as disclosed in Related Party Disclosure.

4.2 Jaguar Car Loan is Loan taken from HDFC Bank secured against Car and Repayable in 60 monthly installments of Rs. 1.43 Lakhs each (including interest) commencing from Aug 2021 and last Installment due in Jul 2026. The Rate of Interest is 7.20 % p.a;

4.3 Jeep Car Loan is Loan taken from Kotak Mahindra Prime Ltd secured against Car and Repayable in 60 monthly installments of Rs. 0.56 Lakhs each (including interest) commencing from Oct 2021 and last Installment due in Sept 2026. The Rate of Interest is 7.43 % p.a;

4.4 Tata Harrier Car Loan A is Loan taken from Kotak Mahindra Prime Ltd secured against Car and Repayable in 60 monthly installments of Rs. 0.46 Lakhs each (including interest) commencing from Nov 2021 and last Installment due in Oct 2026. The Rate of Interest is 7.93 % p.a;

4.5 Tata Harrier Car Loan B is Loan taken from HDFC Bank secured against Car and Repayable in 84 monthly installments of Rs. 0.35 Lakhs each (including interest) commencing from Sept 2020 and last Installment due in Aug 2027. The Rate of Interest is 8.00 % p.a;

4.6 Audi Q3 Car Loan is Loan taken from Kotak Mahindra Prime Ltd secured against Car and Repayable in 60 monthly installments of Rs. 0.51 Lakhs each (including interest) commencing from Oct 2024 and last Installment due in Sept 2029. The Rate of Interest is 8.88 % p.a;

4.7 There is no default in repayment or interest of any loans on due dates.

Note 5: OTHER LONG TERM PROVISIONS

Particulars	As at 31st March, 2025	As at 31st March, 2024
	For Employee Benefits	
- Gratuity payable	30.86	24.23
Total	30.86	24.23

Note 6: SHORT TERM BORROWINGS

Particulars	As at 31st March, 2025	As at 31st March, 2024
	Secured	
Working Capital Loans From Bank		
Export Packing Credit (Shinhan Bank)	-	1,307.00
Export Packing Credit (ICICI Bank)	1,250.00	835.87
Export Packing Credit (UCO Bank)	1,056.91	1,475.28
Export Packing Credit (HDFC Bank)	1,300.69	1,135.74
Export Packing Credit (Bank of India)	2,344.57	-
L.C. Bill Discounting (ICICI Bank)	513.45	358.75
L.C. Bill Discounting (Shinhan Bank)	657.43	1,114.01
L.C. Bill Discounting (Emirates NBD Bank)	167.28	-
L.C. Bill Discounting (UCO Bank)	-	57.95
OD Facility (UCO Bank)	208.23	2,368.87
Pre-Shipment Credit in Foreign Currency (Bank of India)	484.88	-
Pre-Shipment Credit in Foreign Currency (ICICI Bank)	685.80	-
Pre-Shipment Credit in Foreign Currency (Shinhan Bank)	316.73	-
Current Maturities of long term debts		
Motor Car Loans	35.28	28.76
Total	9,021	8,682

6.1 Working Capital facility from Shinhan Bank is primarily secured against pari passu charge on entire stock of inventory, receivables, bills and other chargeable current assets of the company (both present and future) to the extent of sanctioned limits, on a pro rata basis with other lenders and the collateral security as Equitable Mortgage by deposit of title deeds on premises of the Company situated in B1-104D, Boomerang Building, Mumbai, Two Residential Flats in name of Directors situated in Powai, liquid collateral in form of Fixed Deposits of Rs. 2.25 Crs and the personal guarantee of Mr. Abhishek Lath, Mrs. Sweta Lath, Mr. Umashankar Lath and Mrs. Asha Devi Lath. The Rate of Interest chargeable by the Bank (before claiming benefit of Interest Equilisation scheme) is as follows:
For INR: Repo Rate + 2.50% p.a.
For USD: Term SOFR + 2.00% p.a. (upto 23-10-2024), Term SOFR + 1.25% p.a. (after 23-10-2024)

6.2 Working Capital facility from ICICI Bank is primarily secured against pari passu charge by way of hypothecation on the entire stock of raw material, semi finished and finished goods, consumable stores and spares and such other movables including book debts, bills whether documentary or clean, outstanding monies, receivables both present and future in a form or manner satisfactory to bank to the extent of sanctioned limits, on a pro rata basis with other lenders and the collateral security as Equitable Mortgage on four properties in name of Directors and one property in name of company, consisting of Residential Property in Burhanpur, Vacant Land in Burhanpur, Commercial Property in Mumbai, and the unconditional personal guarantee of Mr. Abhishek Lath, Mr. Umashankar Lath, Mrs. Asha Devi Lath and Mrs. Sweta Lath. The Rate of Interest chargeable by the Bank is Repo Rate + 2.75% p.a (less Interest Equilisation scheme benefit).

6.3 Working Capital facility from UCO Bank is primarily secured against pari passu charge by way of hypothecation on the entire stock of inventory, receivables, semi finished and finished goods, consumable stores and spares and such other movables including book debts, bills and other current asset of the company created through Bank finance both present and future to the extent of sanctioned limits, on a pro rata basis with other lenders and the collateral security as 50% liquid collateral security in form of FDR of Rs 7.78 Cr. duly charged in favor of Bank and the unconditional personal guarantee of Mr. Abhishek Lath, Mr. Umashankar Lath and Mrs. Asha Devi Lath.

The Rate of Interest chargeable by the Bank is as follows:

For Export Packing Credit in INR:

Pre-Shipment Credit: Bank's float rate + Spread (0.10% to 0.30% p.a.)

Post Shipment Credit: Bank's float rate + Spread (0.10% to 0.30% p.a.)

depending on the tenure.

For Packing Credit in Foreign Currency (other than INR):

Interest as per RBI Circular No. CHO/IW/01/2022-23 dated 12-04-2022.

6.4 Working Capital facility from HDFC is primarily secured against pari passu charge by way of hypothecation on the entire stock of inventory, receivables, semi finished and finished goods, consumable stores and spares and such other movables including book debts, bills and other current asset of the company created through Bank finance both present and future to the extent of sanctioned limits, on a pro rata basis with other lenders and the collateral security as FDR of Rs.4.50 Cr. duly charged in favor of bank and the unconditional personal guarantee of Mr. Abhishek Lath, Mr. Umashankar Lath, Mrs. Sweta Lath and Mrs. Asha Devi Lath.

The Rate of Interest chargeable by the Bank is 3 M T bill + Spread 1.83% - Constant.

6.5 Working Capital facility from Bank of India is primarily secured against pari passu charge by way of hypothecation of stock and book debts to the extent of sanctioned limits, on a pro rata basis with other lenders and the collateral security as EQM of commercial unit situated at A-307, 3rd floor admeasuring 3590 sq ft and including 6 parking units at Boomerang Co-operative Premises Society Ltd, Chandivali farm road , Powai, Andheri (East), Taluka Kurla , Mumbai 400072, in the name of company duly charged in favor of Bank and the unconditional personal guarantee of Mr. Abhishek Lath, Mr. Umashankar Lath, Mrs. Asha Devi Lath and Mrs. Sweta Lath.

The Rate of Interest chargeable by the Bank is

For INR:

Pre-shipment credit (up to 180 days): RBLR (9.35%) minus 175 bps, i.e., presently 7.60%

Post-shipment credit – Demand bills (transit period as per FEDAI): RBLR (9.35%) minus 100 bps, i.e., presently 8.35%

For USD:

Pre-shipment credit (up to 180 days): 50 basis points over Applicable Benchmark ARR (as per tenure)

Post-shipment credit – On demand bills for transit period (as per FEDAI): 50 basis points over Applicable Benchmark ARR (as per tenure)

Note 7: TRADE PAYABLES

Ageing of Trade Payable Outstanding as on 31st March 2025 is as follows:

Particulars	Not Due	Outstanding for following period from due date of payment				Total
		(Amount in Lakhs)				
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Trade Payables						
MSME	-	-	-	-	-	-
Others	920.76	612.70	130.73	196.33	91.43	1,951.95
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
	920.76	612.70	130.73	196.33	91.43	1,951.95

Ageing of Trade Payable Outstanding as on 31st March 2024 is as follows:

Particulars	Not Due	Outstanding for following period from due date of payment				Total
		(Amount in Lakhs)				
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Trade Payables						
MSME	-	-	-	-	-	-
Others	508.29	285.70	293.93	96.11	0.69	1,184.71
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
	508.29	285.70	293.93	96.11	0.69	1,184.71

7.1 There is no complete information for all creditors available with the management, regarding the supplier's covered as MSME Under MSME Act, 2006, reported to the extent information available.

7.2 The Management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required.

Note 8: OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2025	As at 31st March, 2024
Property Loan		-
Advance from customers	145.25	29.79
Statutory Dues	13.29	51.91
Staff payable	3.10	0.98
Payable for assets	-	-
Creditors for Listed Co. shares	-	-
Deposit	5.00	5.00
Payable to Subsidiary	-	-
Unclaimed Dividend	0.95	0.89
Other Payables	5.00	-
Total	172.58	88.57

Note 9: SHORT TERM PROVISIONS

Particulars	As at 31st March, 2025	As at 31st March, 2024
For Employee Benefits Gratuity (Current Liability)	3.78	2.99
Provision for Audit fees	2.25	
Provision for Expenses	3.15	-
Total	9.18	2.99

LE MERITE EXPORTS LIMITED
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2025

Note 10: PROPERTY PLANT AND EQUIPMENT

(Amount in Lakhs)

SR.NO.	DESCRIPTION	RATE OF DEPRECIATION	GROSS BLOCK			ACCUMULATED DEPRECIATION & AMORTISATION			NET BLOCK	
			Balance as at 1-Apr-24	Addition	Deduction	Balance as at 01-Apr-2024	Current Depreciation	Depreciation on Deduction	Balance as at 31-Mar-2025	Balance as at 31-Mar-2024
1	Office Building	4.87%	222.29	696.72	-	110.79	34.25	-	145.04	111.49
2	Factory Building	9.50%	9.94	-	-	2.07	0.75	-	2.82	7.87
3	Furniture & Fixtures	25.89%	65.57	237.81	-	60.44	31.71	-	92.15	5.12
4	Electrical Installations & Equipments	25.89%	27.83	-	-	15.00	3.32	-	18.32	12.83
5	Machinery	31.23%	12.50	67.21	-	7.94	18.74	-	26.69	4.56
6	Vehicle	31.23%	205.23	41.72	-	144.31	25.20	-	169.51	60.92
7	Office Equipments	45.07%	21.17	0.46	-	14.80	3.05	-	17.84	6.38
8	IT Equipments	39.30%	14.29	-	-	14.08	0.08	-	14.16	0.21
9	Computers	63.16%	3.97	0.61	-	3.47	0.54	-	4.02	0.50
	TOTAL		582.80	1,044.53	-	372.90	117.64	-	490.54	209.89
	PREVIOUS YEAR		576.20	6.60	-	326.30	46.61	-	372.90	249.91

10.1 Office Building in Property, Plant and Equipment is given as security for borrowings (Refer Note No. 6)

Note 11: NON CURRENT INVESTMENTS

(Amount in Lakhs)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	Office Premises - Crescent Park		107.62	
Investment in Land		21.00		-
Investment in Moksha Multiverse Private Limited		50.64		-
<u>Unquoted</u>				
Investment in Subsidiaries				
Le Merite Filament Private Limited	0.51		0.51	
Le Merite Laxmi Spinning Private Limited	2.55	3.06	2.55	3.06
<u>Quoted</u>				
Investment in mutual funds		13.42		10.42
Total		195.74		121.10

11.1 Office Premises is given as security for borrowings refer Note No. 6.

11.2 The investment in Moksha Multiverse Private Limited comprises of 177 Compulsorily Convertible Preference Shares (CCPS) of Rs.28,608/- each.

11.3 The company holds 51 % Stake in form of 5,100 Equity Shares of Rs.10/- each in Le Merite Filament Private Limited.

11.4 The company holds 51 % Stake in form of 25,500 Equity Shares of Rs.10/- each in Le Merite Laxmi Spinning Private Limited.

Note 12: DEFERRED TAX ASSETS (NET)

Particulars	As at 31st March, 2025	As at 31st March, 2024
	Deferred Tax Assets	
Related to Fixed Assets and Gratuity Provision	6.81	9.91
Total	6.81	9.91

Note 13: LONG TERM LOANS AND ADVANCES

(Unsecured and Considered Good)

Particulars	As at 31st March, 2025	As at 31st March, 2024
	Advance to Related Party	420.37
Total	420.37	353.39

13.1 Advance to Related Party is advance against trade and not in nature of Loan as per Management

Note 14: OTHER NON CURRENT ASSETS

Particulars	As at 31st March, 2025	As at 31st March, 2024
	Security Deposit	253.31
Total	253.31	233.10

LE MERITE EXPORTS LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2025

Note 15: CURRENT INVESTMENTS

(Amount in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Quoted:		
Investment in equity shares of listed company	162.48	103.23
Total	162.48	103.23

Note 16: INVENTORIES

Particulars	As at 31st March, 2025	As at 31st March, 2024
Raw Material	-	-
Work In Progress	34.26	211.40
Finished Goods and Stock in Trade	1,078.63	1,355.42
Total	1,112.89	1,566.82

16.1 Inventories have been valued as per the Accounting Policies

16.2 Inventories as above are hypothecated to secured short term borrowings (Refer Note No. 6)

Note 17: TRADE RECEIVABLES

Ageing of Trade Receivables Outstanding as on 31st March 2025 is as follows:

Particulars	Not Due						Total
		up to 180 days	6 Months - 1 Year	1-2 years	2-3 years	More than 3 Years	
Undisputed Trade Receivables - considered good	5,044.38	4,984.38	697.19	352.76	455.12	38.53	11,572.36
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	5,044.38	4,984.38	697.19	352.76	455.12	38.53	11,572.36

Ageing of Trade Receivables Outstanding as on 31st March 2024 is as follows:

(Amount in Lakhs)

Particulars	Not Due						Total
		up to 180 days	6 Months - 1 Year	1-2 years	2-3 years	More than 3 Years	
Undisputed Trade Receivables - considered good	5,347.15	2,690.55	358.82	284.76	2.48	21.88	8,705.65
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	151.65	40.99	-	-	192.64
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	5,347.15	2,690.55	510.47	325.75	2.48	21.88	8,898.29

17.1 Trade Receivables as above are hypothecated to secured short term borrowings (Refer Note No. 6)

Note 18: CASH AND CASH EQUIVALENTS

(Amount in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Balances with Banks	327.69	93.53
Cash in hand	32.99	28.14
Balance with fixed deposits	5,016.10	4,369.10
Total	5,376.77	4,490.76

18.1 Balances with Banks includes balances in Operative and Non Operative Accounts.

18.2 Balance with fixed deposits includes deposits placed as security against secured short term borrowings (Refer Note No. 6)

Note 19: SHORT TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2025	As at 31st March, 2024
Unsecured, considered good		
Balance with tax authorities		
Export Incentives Receivable	226.90	358.64
GST Electronic Credit Ledger	598.76	542.66
GST Export Refund	475.59	392.81
Income Tax Refund Receivable	0.68	0.52
Advance Tax (Net of Provision)	16.93	66.21
Advances in nature of Loans	899.89	446.95
Advances with Suppliers in Trade		
Yarn	640.72	564.41
Fabric	189.78	169.08
Cotton	75.42	89.87
Others	106.38	99.47
Total	3,231.05	2,730.62

Note 20: OTHER CURRENT ASSETS

Particulars	As at 31st March, 2025	As at 31st March, 2024
Unsecured, considered good		
Advance to Staff	167.67	133.49
Advance to Investment Brokers	38.24	1.66
Other Current Assets	149.67	88.46
IEIS Claim Receivable*	144.17	-
Total	499.75	223.60

20.1 In pursuance of the instructions received from the Directorate General of Foreign Trade (DGFT) Headquarters regarding the cap imposed under Notification No. 43 dated 25.09.2013, the concerned DGFT office is currently processing pending claims under the Incremental Exports Incentivisation Scheme (IEIS).

The IEIS claim receivable represents the amount eligible and filed by the company. The claim has been filed with the relevant authorities and is pending for disbursement as of the balance sheet date and the inflow is virtually certain.

LE MERITE EXPORTS LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2025

Note 21: REVENUE FROM OPERATIONS

(Amount in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Sale of Products (Refer to Note No.21.1)	45,900.80	44,464.14
Other operating revenue (Refer to Note no.21.1)	2,110.59	2,346.35
Total	48,011.39	46,810.49

21.1 Particulars of Revenue from Operations

Particulars	Year ended 31st March, 2025		Year ended 31st March, 2024	
Sale of Products				
Trading Operations:				
Yarn				
Export - Yarn	20,729.52		21,328.16	
Local - Yarn	6,646.94	27,376.47	3,601.17	24,929.33
Fabric				
Export - Fabric	3,992.93		3,186.84	
Local - Fabric	21.42	4,014.35	483.85	3,670.69
Cotton				
Export - Cotton	-		472.28	
Local - Cotton	4,094.33	4,094.33	4,017.34	4,489.62
Defence Sales	303.05	303.05		
Manufacturing Operations:				
Yarn				
Export	7,399.05		8,016.34	
Local	2,713.54	10,112.60	3,358.17	11,374.51
Total		45,900.80		44,464.14
Other Operating Revenue				
Duty Drawback	597.33		619.27	
IEIS License Sale	144.17			
RoDTEP License Income	1,006.98		1,210.27	
Rebates, Discounts and Quality Claims Income	(9.11)		44.49	
Profit/ (Loss) on changes in foreign exchange	371.23	2,110.59	472.31	2,346.35
Total		2,110.59		2,346.35

21.2 Management has classified Revenue from Manufacturing Units in Long Term Lease / Arrangement as Revenue from Manufacturing Operations taking into consideration the Substance over form of the transaction.

21.3 Profit / (Loss) on changes in foreign exchange is presented under Other Operating Revenue within Revenue from Operations. Since all export sales are executed through forward contracts, where the sales price factors in the spot rate plus forward premium, this income is considered directly related to core operating activities, following the principle of substance over form.

Note 22: OTHER INCOME

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Commission Income	366.89	-
Interest on Fixed Deposits	345.45	296.47
Interest Income on Advances	95.38	31.35
Profit/ (Loss) on sale of shares	40.36	18.58
Rent Income	24.74	3.78
Dividend Income	2.29	2.04
Interest on Income Tax Refund	1.59	-
Interest Income from Debtors	0.92	1.72
Unrealised profit on mark-to-market of equity investments	-	8.50
Miscellaneous Other Income	2.63	8.49
Total	880.24	370.93

LE MERITE EXPORTS LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2025

Note 23: PURCHASES

(Amount in Lakhs)

Particulars	Year ended 31st March, 2025		Year ended 31st March, 2024	
	Raw Cotton		4,215.93	
Fabric		3,930.01		3,496.12
<u>Yarn:</u>				
Local - Yarn Purchase	35,554.77		35,161.55	
Import	-	35,554.77	115.67	35,277.22
Defence Purchase		188.45		-
Total		43,889.15		43,356.30

Note 24: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND STOCK-IN-TRADE

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
	Inventories (At Close)	
Goods	1,112.89	1,566.82
Inventories (At Commencement)		
Goods	1,566.82	1,615.77
Total	453.92	48.95

Note 25: EMPLOYEE BENEFITS EXPENSES

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
	Directors Remuneration	43.80
Salaries & Wages	168.82	180.09
Other Employee benefits	3.83	4.60
Staff welfare expenses	6.07	4.09
Gratuity	8.38	5.28
Total	230.91	351.25

Note 26: FINANCE COSTS

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
	Interest Expenses	803.14
Bank Charges	99.04	40.27
Total	902.18	736.04

LE MERITE EXPORTS LIMITED

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2025

Note 27: OTHER EXPENSES

(Amount in Lakhs)

Particulars	Year ended 31st March, 2025		Year ended 31st March, 2024	
Direct Expenses				
Job Work	589.66		748.59	
Sample Expenses	2.04		1.65	
Labour Charges	0.92		4.35	
Packaging Expenses	0.77		0.52	
Other Direct Expenses	0.11	593.50	2.93	758.03
Administrative and Other Expenses				
Legal & Professional Charges	93.05		61.60	
Rent Rates & Taxes	37.34		25.57	
Donations / CSR	22.92		16.59	
Defence Order Expenses	12.33		-	
Unrealised loss on mark-to-market of equity investments	9.80		-	
Electricity Charges	8.23		3.43	
Travelling & Conveyance Cost	8.02		6.54	
Printing & Stationery Cost	7.43		5.03	
Insurance Charges	6.68		4.50	
Auditor's Remuneration (Refer to note no.28.1)	5.50		5.35	
Communication Cost	1.18		1.28	
Repairs & Maintenance Cost	1.06		-	
Other Establishment Expenses	62.09		47.86	
Sundry Balances Written off	-	275.62	0.01	177.75
Selling & Distribution Expenses				
Freight and Forwarding Expenses	1,360.03		1,116.88	
Commission Expenses	269.89		286.10	
Business Promotion Expenses	30.80		31.21	
Tours & Travel expenses	30.70		15.01	
Exhibition Expenses	18.42		14.89	
Discount	10.71	1,720.55	11.64	1,475.73
Total		2,589.68		2,411.51

27.1 Particulars of Payment to Auditor

Particulars	Year ended 31st March, 2025		Year ended 31st March, 2024	
(a) Auditor				
Statutory Audit Fees	4.50		4.00	
Tax Audit fees	1.00	5.50	1.00	5.00
(b) Certification & Consulting Fees (Other Services)				
		-		0.35
Total		5.50		5.35

Note 28: Contingent Liabilities

(Amount in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Claim against company not acknowledged as debts		
- in respect of Statutory Dues	-	-
- in respect of Trade	-	-
a. Towards Case Filed by Vendor	96.73	96.73
b. Towards Case Filed by Lessor for lease of Rokadeshwar Shakari Soot Girni	312.39	312.39
Total	409.12	409.12

Note 29: Related Party Disclosures

In accordance with the requirement of Accounting Standard (AS) -18 on Related Party Disclosures, the names of the related parties where control exists and /or with whom transactions have taken place during the year in the or during the course of business, as identified and certified by the management are:

Name of the Party	Relationship / Designation
Abhishek Lath	Managing Director and CFO
Umashankar Lath	Chairman and Managing Director
Shweta Lath	Additional Director
Rohit Agarwal	Independent Director
Jayadeep Mehta	Independent Director
Narendra Srivastava	Independent Director
Ashadevi Lath	Relative of Director
Umashankar Lath HUF	HUF of Director
Sandeep Poddar	Company Secretary
Burhanpur Integrated Textile Park Limited	Enterprises over which directors have significant influence
Le Merite Fashions Private Limited	Enterprises over which directors have significant influence
Le Merite Laxmi Spinning Private Limited	Subsidiary
Le Merite Filament Private Limited	Subsidiary

The following transactions were carried out with the related parties and the balances of these related parties as at 31st March, 2025 for the period then ended are presented herein below:

Particulars	As at 31st March, 2025	As at 31st March, 2024
Remuneration		
Abhishek Lath	16.50	66.00
Umashankar Lath	11.25	45.00
Shweta Lath	10.50	42.00
Ashadevi Lath	-	12.00
Sandeep Poddar (Resigned w.e.f. March 20, 2025)	10.95	8.01
Sitting Fees		
Rohit Agarwal	1.20	1.05
Narendra Srivastava	2.10	1.50
Jayadeep Mehta	2.25	1.65
Loan Repaid		
Abhishek Lath	61.27	67.40
Umashankar Lath	217.61	20.02
Shweta Lath	36.49	4.54
Umashankar Lath HUF	-	66.76
Ashadevi Lath	60.00	-

Loan Given		
Le Merite Laxmi Spinning Private Limited	32.93	-
Le Merite Filament Private Limited	-	0.10
Loan Taken		
Abhishek Lath	59.52	65.55
Umashankar Lath	1,330.63	95.70
Shweta Lath	26.02	15.00
Umashankar Lath HUF	-	50.76
Ashadevi Lath	60.00	-
Sale Transactions		
Le Merite Fashion Private Limited	6.92	181.95
Purchase Transactions		
Le Merite Fashion Private Limited	165.79	1,509.42
Le Merite Laxmi Spinning Private Limited	1,020.26	-

Outstanding balances - Payable / Receivable

(Amount in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Loan Payable		
Abhishek Lath	-	1.75
Umashankar Lath	1,235.85	122.83
Umashankar Lath HUF	-	-
Shweta Lath	-	10.46
Ashadevi Lath	-	-
Salary Payable		
Rohit Agarwal	1.08	-
Narendra Srivastava	1.89	-
Jayadeep Mehta	2.03	-
Sandeep Poddar	0.48	0.76
Receivable		
Le Merite Filament Private Limited	3.39	3.39
Le Merite Laxmi Spinning Private Limited	416.98	384.05
Payable		
Le Merite Fashion Private Limited	34.78	15.99
Le Merite Laxmi Spinning Private Limited	-	29.48

Note 30: Earnings Per Share

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

The following table reflects the profit and weighted average number of equity shares used in the computation of basic and diluted EPS.

Particulars	As at 31st March, 2025	As at 31st March, 2024
Profit attributable to equity holders	530.04	174.30
Weighted Average number of equity shares used for computing Earning Per Share (Basic)	235.12	234.81
Weighted Average number of equity shares used for computing Earning Per Share (Diluted)	239.92	234.81
Earning Per Share (Basic)	2.25	0.74
Earning Per Share (Diluted)	2.21	0.74
Face value per share	10.00	10.00

Note 31: Analytical Ratios

The Ratios as on 31st March 2025 are as follows:

(Amount in Lakhs)

Ratio	Numerator	Denominator	Current year	Previous year	Variance
(a) Current ratio	21955.27	11154.96	1.97	1.81	8.81%
(a) Debt-equity ratio	1307.22	11510.53	0.11	0.02	413.60%
(b) Debt service coverage ratio	831.44	36.66	22.68	8.46	167.96%
(c) Interest service coverage ratio	713.80	5.67	125.91	34.49	265.07%
(d) Return on equity ratio	530.04	10558.33	5.02%	1.82%	176.27%
(e) Inventory turnover ratio	593.50	1339.86	0.44	27.75	-98.40%
(f) Trade receivables turnover ratio	48011.39	10235.32	4.69	5.17	-9.24%
(g) Trade payables turnover ratio	43889.15	1568.33	27.98	26.39	6.05%
(h) Net capital turnover ratio	48011.39	9427.57	5.09	5.82	-12.48%
(i) Net profit ratio	530.04	48011.39	1.10%	0.37%	196.48%
(j) Return on capital employed	713.80	12817.75	5.57%	2.42%	130.09%
(k) Return on investment	530.04	11510.53	4.60%	1.81%	153.78%

Note 31.1: The variance in Debt-equity ratio is primarily due to an increase in unsecured loans from directors during the year.

Note 31.2: The variance in Debt service coverage ratio and Interest service coverage ratio is primarily due to higher operating profits driven by improved operational efficiency thereby enhancing the company's ability to service debt and interest.

Note 31.3: The variance in Return on Equity Ratio, Net Profit Ratio, Return on Capital Employed and Return on Investment is primarily due to improvement in operational profitability and efficiency during the current year. As a result, returns relative to equity, capital employed, and investments strengthened compared to the previous year.

Note 32: Corporate Social Responsibility

Particulars	Year ended	Year ended
	31st March, 2025	31st March, 2024
Amount required to be spent by the company during the year	-	30.43
Amount of expenditure incurred towards current year	-	3.48
Shortfall at the end of the year	-	26.95
Total of previous years shortfall	31.79	4.84
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	23.43	-

Note 32.1: As per section 135 of the Companies Act, 2013, the company did not have a CSR obligation for the financial year 2024-25 as neither of the three criteria was met for the immediately preceding financial year. Further, the company has spent Rs. 23,43,220/- and Rs. 4,83,680/- towards shortfall of FY 2023-24 and FY 2022-23 respectively. The balance of FY 2023-24's obligation is to be fulfilled on ongoing projects in next two years as the remaining amount has been transferred to Unspent CSR Account with ICICI Bank on 29-04-2024 in Compliance with Section 135(7) of the Companies Act, 2013.

Note 32.2: CSR obligation for the financial year 2023-24 was Rs. 30,43,402/- out of which Rs. 3,48,000/- was fulfilled during the year, the balance of Rs. 26,95,402/- is to be fulfilled on ongoing projects in next three years as the remaining amount was transferred to Unspent CSR Account with ICICI Bank on 29-04-2024 in Compliance with Section 135(7) of the Companies Act, 2013.

Note 33: Title of Immovable Properties

Relevant line items in the Balance Sheet	Description of items of property	Gross carrying value	Title deeds held in the Name of	promoter, director or relative of promoter/director or employee of	Reasons for not being held in the name of company(also indicate if in dispute)
Property Plant and Equipment	Office Building	919.01	Le Merite Exports Ltd.	No	NA
Non Current Investment	Office Premises - Crescent Park	107.62	Le Merite Exports Ltd.	No	NA

Note 34: Security of current assets against borrowings

The Company has been sanctioned working capital limits from Shinhan Bank, ICICI Bank, HDFC Bank, UCO Bank and Bank of India on the basis of security of current assets and monthly statements to be filed. There are no material variances in security of current assets as per books of accounts and the monthly statements filed with the bank.

Note 35: Employee Benefits

As required under Accounting Standard 15 (Revised 2005), Actuarial Gains and Losses are recognised immediately in the Statement of Profit and Loss.

Followings are the principal actuarial assumptions used as at the balance sheet date, including, where applicable:

(Amount in Lakhs)

Particulars	Year ended	Year ended
	31st March, 2025	31st March, 2024
Expected Return on Plan Assets	N.A.	N.A.
Rate of Discounting	6.73%	7.21%
Rate of Salary Increase	10.00%	10.00%
Rate of Employee Turnover	5.00%	5.00%
Mortality Rate During Employment	Lives Mortality (2012-14) Ultimate	Lives Mortality (2012-14) Ultimate

Change in the Present Value of Defined Benefit Obligation:

Particulars	Year ended	Year ended
	31st March, 2025	31st March, 2024
Present Value of Benefit Obligation at the Beginning of the Period	27.22	21.95
Interest Cost	1.96	1.64
Current Service Cost	2.51	2.09
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	1.48	0.66
Obligations - Due to Experience Adjustment	2.42	0.88
Obligation at the End of the Period	34.64	27.22

Actuarial (Gains)/Losses Recognized in the Statement of Profit or Loss for Current Period

Particulars	Year ended	Year ended
	31st March, 2025	31st March, 2024
Actuarial (Gains)/Losses on Obligation For the Period	3.90	1.54
Actuarial (Gains)/Losses on Plan Asset For the Period	N.A.	N.A.
Actuarial (Gains)/Losses Recognized in the Statement of Profit or Loss	3.90	1.54

Details of amount recognized in the Balance Sheet:

Particulars	Year ended	Year ended
	31st March, 2025	31st March, 2024
(Present Value of Benefit Obligation at the end of the Period)	(34.64)	(27.22)
Fair Value of Plan Assets at the end of the Period	N.A.	N.A.
Unrecognized Past Service Cost at the end of the Period	-	-
Net (Liability)/Asset Recognized in the Balance Sheet	(34.64)	(27.22)

Note 36: Un-hedged Foreign Currency Exposure

Particulars of Un-hedged Foreign Currency Exposure as at Balance sheet date is Rs. 13.88 Crs as on 31st March, 2025 and Rs. 8.50 Crs as on 31st March, 2024 as per management.

Note 37: Micro and Small Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. The Company has not received any information from the "suppliers" regarding their status under the Micro Small and Medium Enterprises Development Act, 2006.

Note 38: Expenditure in Foreign Currency

(Amount in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Commission Expenses	218.86	223.75

Note 39: Earnings in Foreign Currency

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Exports of goods	32,121.51	33,003.61

Note 40: Operating Leases

Where company is the lessee:

The company has taken various godown and units under operating lease, that are renewable on a periodic basis at the option of both the lessor and the lessee.

Lease payment recognized in the statement of Profit and Loss for the period:

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Charged to Statement of Profit and Loss		
Godown Rent	7.67	6.70
Factory Rent	-	-
Future minimum lease payments not later than one year*	-	-
Future minimum lease payments later than one year but not later than five years*	-	-

*Lease Agreements are to be renewed annually as per management.

Note 41: Segment Reporting

The Company is primarily in the business of manufacturing, purchase and sale of textiles. The Management of the Company evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit.

Note 42: Other Regulatory Disclosures

- The Company has not traded in crypto currency or virtual currency during the year.
- The Company is not declared a willful defaulter by any bank or financial institution or other lenders.
- The Company has no transactions with the struck off Companies under Section 248 or 560 of the Act.
- No proceedings were initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.
- There are no ultimate beneficiaries to whom the Company has lent/invested nor received any fund during the year within the meaning of Foreign Exchange Management Act 1999 and Prevention of money Laundering Act 2002.
- The Company has complied related to number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- There we no transaction in the Company which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- The Company does not have any charges or satisfaction, which is yet to be registered with Registrar of Companies beyond the statutory period.

- i. 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 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 (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- j. The Company has utilised borrowings from banks and financial institutions during the year for the specific purposes for which they were obtained. There are no instances of borrowings being used for purposes other than those for which they were sanctioned.
- k. The details pursuant to provisions of schedule III to the Companies Act, 2013 have been given to the extent applicable to the

Note 43: Previous year's figures have been regrouped/ reclassified, wherever necessary to conform to this years' classification

As per our report of even date

For Nagori Nuwal & Co
Chartered Accountant
(FRN 08185C)

**For and on behalf of Board of Directors
of Le Merite Exports Limited**

CA Shankar Lal Laddha
Partner
(Membership No 76554)
UDIN: 25076554BNIAPA8974
Place: Mumbai
Date: May 28, 2025

Abhishek Lath	Umashakar Lath
MD & CFO	Chairman & MD
(DIN - 00331675)	(DIN - 05135035)



INDEPENDENT AUDITOR'S REPORT

To the Members of LE MERITE EXPORTS LIMITED,

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **LE MERITE EXPORTS LIMITED** ("the Company"), which comprise the consolidated balance sheet as at 31st March 2025, and the consolidated statement of profit and loss, and statement of cash flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Accounting Standards specified under Section 133 of the act, read with Rule 7 of the Companies (Accounts) Rules, 2014, Companies (Accounting Standards) Amendment Rules, 2016 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025, and its profit, 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 consolidated 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 Consolidated 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 ICAI's code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Financial Statements section of our report,



including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

The key audit matters	How our audit addressed the key audit matters
Valuation of Inventory - Refer to Notes 16 and 24 to the consolidated Financial Statements	
<p>The Company’s inventory primarily comprises cotton, yarn and fabric. Inventories are valued at lower of cost or net realizable value. There is a risk that inventories may be stated at values that are more than their net realizable value ('NRV').</p> <p>We identified the valuation of inventories as a key audit matter as the Company held significant inventories and significant degree of management judgment was involved in valuing the inventories.</p>	<ul style="list-style-type: none"> • Evaluating the accounting policy followed for valuation of inventory and appropriateness thereof with respect to relevant accounting standards in this respect. • Obtained an understanding of and performed the test of design, implementation and operating effectiveness of the Company’s key internal controls over the process for valuation of inventories. • For work-in-progress and finished goods, we understood the determination of the net realizable value and assessing, testing and evaluating the reasonableness keeping in view the significant judgments applied by the management concerning overhead allocation by assessing the cost of the items included in overhead absorption for selected samples. • In connection with NRV testing, we have compared carrying value to the selling price prevailing around and subsequent to the year end for the selected samples.

Information other than the financial statements and auditor’s report thereon.

The company’s board of directors is responsible for the other information. The other information comprises the information included in the board’s report including annexure to board’s report but does not include the Consolidated Financial Statements and our auditor’s report thereon.

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



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

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

Responsibility of management for Consolidated Financial Statements

The company's board of directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the act") with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the financial position, financial performance, and cash flows of the company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The board of directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities or business activities included in the Consolidated Financial Statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably

knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

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

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

Other Matters

- a) The Consolidated Financial Statements include the financial statements of subsidiaries, whose audited standalone financial statements reflect total assets of Rs. 235.29 lakhs as at 31st March 2025, total revenue of Rs. 4,713.54 lakhs and net cash outflows amounting to Rs. 3.89 lakhs for the year ended on that date.
- b) We have not audited the financial statements of the subsidiaries; whose financial statements reflect total assets of Rs. 235.29 lakhs as at 31st March, 2025 and total revenue as Rs. 4,713.54 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-sections (3) and (11) of section 143 of the act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary company as noted in the 'Other Matter' paragraph we give in the "**Annexure A**" a statement on the matters specified in paragraph 3(xxi) of the Order.

As required by Section 143(3) of the Act, we report that:



- (l) 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.
- (m) 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.
- (n) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account.
- (o) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the act, read with rule 7 of the companies (accounts) rules, 2014.
- (p) On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the board of directors, 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.
- (q) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”, to this report.
- (r) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (s) With respect to the other matters to be included in the auditor’s report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- vii. The Company has disclosed details regarding pending litigations in note 28 of the consolidated financial statements, which would impact its financial position.
 - viii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - ix. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.
 - x.
 - a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other

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

- b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

**For,
Nagori Nuwal & Co.,
Chartered Accountants,
F.R.N.: 08185C**

**Place: Mumbai
Date: 28-05-2025
UDIN: 25076554BNIAPB2747**

**CA Shankar Lal Laddha
Partner
Membership No.: 076554**



“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1, under ‘Report on Other Legal and Regulatory Requirements’ section of our Report of even date)

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

- xxi. There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Holding Company.

**For,
Nagori Nuwal & Co.,
Chartered Accountants,
F.R.N.: 08185C**

**Place: Mumbai
Date: 28-05-2025
UDIN: 25076554BNIAPB2747**

**CA Shankar Lal Laddha
Partner
Membership No.: 076554**

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(e) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the internal financial controls over financial reporting of **LE MERITE EXPORTS LIMITED** ('the Company') as of 31st March, 2025 in conjunction with our audit of the Consolidated 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 Standards issued by the Institute of Chartered Accountants of India (the 'Guidance Note'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls and, 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 the 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 auditors' judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated 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 Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Other Matter

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to all no. of subsidiaries, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries.

Opinion

In our opinion, the Group and its subsidiaries, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with



Le Merite Exports Limited

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reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31st March 2025, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Place: Mumbai

Date: 28-05-2025

UDIN: 25076554BNIAPB2747

**For,
Nagori Nuwal & Co.,
Chartered Accountants,
F.R.N.: 08185C
CA Shankar Lal Laddha
Partner
Membership No.: 076554**



CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST MARCH 2025

CIN: L17111MH2003PLC143645

(Amount in Lakhs)

Particulars	Note	As at 31st March, 2025 (Audited)	As at 31st March, 2024 (Audited)
<u>EQUITY AND LIABILITIES</u>			
(1) Shareholders' Funds			
Share Capital	2	2,429.86	2,348.10
Reserves and Surplus	3	8,706.98	7,051.26
Money received against share warrants		246.71	-
		11,383.54	9,399.36
(2) Share application money pending allotment			
		-	-
(3) Non-Controlling Interest			
	4	(119.08)	(195.74)
		(119.08)	(195.74)
(4) Non-Current Liabilities			
Long-Term Borrowings	5	1,271.94	528.58
Other Long Term Provisions	6	30.86	24.23
		1,302.79	552.81
(5) Current Liabilities			
Short-Term Borrowings	7	9,021.25	8,682.22
Trade Payables	8	-	-
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,955.98	1,277.37
Other Current Liabilities	9	226.39	102.69
Short-term Provisions	10	9.26	3.08
		11,212.89	10,065.36
Total		23,780.15	19,821.79
<u>ASSETS</u>			
(1) Non-Current Assets			
Property Plant and Equipment and Intangible Assets			
Property Plant and Equipment	11	1,136.78	209.89
Capital work-in-progress	11	-	831.79
Intangible Asstes	11	0.12	0.33
Non-Current Investments	12	192.68	107.62
Deferred Tax Asset	13	6.81	9.91
Long Term Loans and Advances	14	-	-
Other Non Current Asset	15	253.81	334.09
		1,590.20	1,493.63
(2) Current Assets			
Current Investments	16	162.48	113.65
Inventories	17	1,112.89	1,766.35
Trade Receivables	18	11,575.75	8,897.11
Cash and Cash Equivalents	19	5,378.00	4,495.91
Short-Term Loans and Advances	20	3,305.97	2,830.17
Other Current Assets	21	654.85	224.95
		22,189.95	18,328.15
Total		23,780.15	19,821.79
As per our report of even date			
For Nagori Nuwal & Co		For and on behalf of Board of Directors	
Chartered Accountant		of Le Merite Exports Limited	
(FRN 08185C)			
CA Shankar Lal Laddha		Abhishek Lath	Umashakar Lath
Partner		MD & CFO	Chairman & MD
(Membership No 76554)		(DIN - 00331675)	(DIN - 05135035)
UDIN: 25076554BNIAPB2747			
Place: Mumbai			
Date: May 28, 2025			



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

CIN: L17111MH2003PLC143645

(Amount in Lakhs)

Particulars	Note	Year ended	
		31st March, 2025 (Audited)	31st March, 2024 (Audited)
(A) REVENUE			
Revenue From Operations	22	51,474.18	46,815.34
Other Income	23	1,111.39	373.38
Total Income		52,585.57	47,188.72
(B) EXPENDITURE			
Purchases	24	47,189.96	43,372.49
Changes in Inventories	26	653.46	37.58
Employee Benefits Expenses	26	246.42	351.25
Finance Costs	27	902.18	736.04
Depreciation and Amortization Expense	11	117.64	46.61
Other Expenses	28	2,611.32	2,413.49
Total Expenditure		51,720.99	46,957.46
Profit Before Exceptional and Extraordinary Items and Tax		864.58	231.26
Exceptional Items		-	-
Profit Before Extraordinary Items and Tax		864.58	231.26
Extraordinary Items		-	-
Profit Before Tax		864.58	231.26
Tax Expense:			
(1) Current tax		175.00	60.08
(2) Deferred tax		3.10	(3.56)
(3) Excess / Short Tax Provision W/off		-	-
Profit after tax and before Minority Interest		686.48	174.73
Less: Minority Interest		76.66	0.21
Profit for the year		609.82	174.52
Earning per equity share of the face value of Rs.10/- each			
(1) Basic	31	2.59	0.74
(2) Diluted	31	2.54	0.74
As per our report of even date			
For Nagori Nuwal & Co Chartered Accountant (FRN 08185C)		For and on behalf of Board of Directors of Le Merite Exports Limited	
CA Shankar Lal Laddha Partner (Membership No 76554) UDIN: 25076554BNIAPB2747 Place: Mumbai Date: May 28, 2025		Abhishek Lath MD & CFO (DIN - 00331675)	Umashakar Lath Chairman & MD (DIN - 05135035)



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2025

CIN: L17111MH2003PLC143645

(Amount in Lakhs)

Particulars		As at 31st March, 2025 (Audited)	As at 31st March, 2024 (Audited)
A. Cash flow from Operating Activities			
Profit/(loss) before tax		864.58	231.26
Adjustment For :			
Depreciation		117.64	46.61
Provisions		12.81	7.11
Operating Profit/(Loss) before Working Capital changes		995.03	284.97
Adjustment for increase/decrease in:			
Increase / Decrease in trade payables		678.62	(914.17)
Increase / Decrease in other current liabilities		123.70	(102.35)
Increase / Decrease in inventories		653.46	37.57
Increase / Decrease in trade receivables		(2,678.64)	299.49
Increase / Decrease in short term loans & advances		(475.80)	573.06
Increase / Decrease in other non current asset		80.28	0.34
Increase / Decrease in other current assets		(429.89)	(71.76)
Operating Profit/(Loss) after Working Capital changes		(1,053.23)	107.14
Operating Profit/(Loss) before Tax		(1,053.23)	107.14
Less : Tax Paid (Net)		(175.00)	(90.08)
Net Cash generated from Operating Activities	(A)	(1,228.23)	17.06
B. Cash flow from Investment Activities			
Payment towards capital expenditure		-	(135.07)
Payment towards fixed assets		(212.74)	(6.60)
Non-Current Investments		(85.05)	-
Current Investments		(48.83)	(23.90)
Net Cash From Investment Activities		(346.62)	(165.57)
C. Cash flow from Financing Activities			
Increase in Long Term Borrowings		743.35	39.54
Increase in Short Term Borrowings		339.02	562.22
Proceeds from fresh issue of equity shares (preferential allotment)		81.76	-
Money received against share warrants		1,362.73	-
Expenses incurred for issue of shares		(13.66)	-
Expenses incurred for increasing authorised capital		(9.50)	-
Dividend Paid		(46.96)	(117.41)
Long Term Loans and Advances		-	(39.52)
Net Cash from Financing Activities	(C)	2,456.74	444.83
Net (Decrease)/Increase in Cash and Cash Equivalents	(A+B+C)	881.89	296.34
Cash and Cash Equivalents at the beginning of the year		4,495.91	4,199.57
Cash and Cash Equivalents as at the end of the year		5,377.80	4,495.91
Components of cash and cash equivalents			
Cash in hand		32.83	28.20
Balances with banks		5,344.97	4,467.70
Total		5,377.80	4,495.91

1) All figures in brackets are outflow
2) Previous year's figures have been regrouped/reclassified wherever necessary to this year's classification

As per our report of even date

For Nagori Nuwal & Co
Chartered Accountant
(FRN 08185C)

For and on behalf of Board of Directors
of Le Merite Exports Limited

CA Shankar Lal Laddha
Partner
(Membership No 76554)
UDIN: 25076554BNIAPB2747
Place: Mumbai
Date: May 28, 2025

Abhishek Lath
MD & CFO
(DIN - 00331675)

Umashakar Lath
Chairman & MD
(DIN - 05135035)

Note 1: Statement of Significant Accounting Policies**t) Basis of Preparation**

The Consolidated financial statements relate to Le Merite Exports Limited ('the Company') and its subsidiary Companies Le Merite Laxmi Spinning Private Limited and Le Merite Filament Private Limited. The Company and its subsidiaries constitute the Group.

u) Basis of Accounting

The Consolidated financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these consolidated financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read with paragraph 7 of the Companies (Accounts) Rules 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of previous year.

v) Principles of Consolidation

The consolidated financial statements are prepared using the financial statements of the company, its subsidiaries and associates. The consolidated financial statements have been prepared in accordance with Accounting Standard (AS) 21, Accounting Standards (AS) 23, other applicable accounting standards, as applicable, notified by the Companies (Accounts) Rules, 2014 the Companies (Accounting Standards) Amendment Rules 2016. The consolidated financial statements are prepared on the following basis:

- i. The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis in accordance with the principles laid down in Accounting Standard-21 on "Consolidated Financial Statements" by adding together the value of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profit or loss.
- ii. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances are presented to the extent possible, in the same manner as the company's separate financial statements.
- iii. The excess of cost to the Group of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies were made, is recognized as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. Alternatively, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of

investments of the Group, it is recognized as ‘Capital Reserve’ and shown under the head ‘Reserves & Surplus’, in the consolidated financial statements.

- iv. Minority interests represent the amount of equity attributable to the minorities at the date on which investment in subsidiaries made and the share of movements in equity since that date. Minority interests in the net income of subsidiaries for the year are identified and adjusted against income of the Group.
- v. Investments in associates are accounted for using the equity method as per Accounting Standard (AS) 23. The excess of cost of investment over the proportionate share in equity of the associate as at the date of acquisition of stake is identified as goodwill or capital reserve and included in the carrying value of the investment of the associate. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the associate. However, the share of losses is accounted for only to the extent of the cost of the investment.
- vi. The following subsidiary companies are considered in the consolidated financial statements:

Sr No	Name of Subsidiary	Country of Incorporation	% of Holding as on 31 st March, 2022	Date of Incorporation
1	Le Merite Filament Private Limited	India	51 %	08/10/2021
2	Le Merite Laxmi Spinning Private Limited	India	51 %	15/12/2021

w) Use of Estimates:

The preparation of consolidated financial statements is in conformity with Indian GAAP, requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

x) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost (or revalued amounts, as the case may be) less accumulated depreciation/amortization and impairment losses, if any.

Cost includes purchase price, taxes and duties as applicable, freight, and other incidental expenses incurred till the commencement of commercial production. Incidental expenses include establishment expenses, interest on borrowed funds used for qualifying assets and other related direct costs attributable to the same.

Capital Work in Progress includes pre-operative and other incidental expenses pending allocation/ apportionment in respect of the uninstalled/ incomplete fixed assets.

y) Intangible Assets

Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortization and cumulative impairment.

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

Intangible assets are amortized over their useful life.

Pre Incorporation Expenses are also accounted as Intangible Assets.

z) Depreciation on Property, Plant and Equipment

Depreciation on Property, Plant and Equipment is calculated on a WDV basis using the rates arrived at based on the useful lives of fixed assets specified by Schedule II to the Companies Act, 2013.

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.

aa) Impairment

The carrying amounts of assets are reviewed at each balance sheet date, to check if there is any indication of impairment based on internal/external factors.

An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount.

The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

bb) Investments

Long term investments are carried at cost less provision for permanent diminution, if any, in value of such investments. Current investments are carried at lower of cost and fair value.

cc) Borrowing costs:

Borrowing costs attributable to the acquisition and construction of qualifying assets up to the date of such acquisition or construction are capitalized as part of the cost of respective assets. Other borrowing costs are charged to statement of profit and loss of the period in which they are incurred.

dd) Leases:

iii) Finance lease:

Assets acquired under finance leases are recognized as an asset and a liability at the commencement of the lease, at the lower of the fair value of the assets and the present value of minimum lease payments. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Assets given under finance leases are recognized as receivables at an amount equal to the net investment in the lease and the finance income is based on a constant rate of return on the outstanding net investment.

iv) Operating lease:

Leases other than finance lease, are operating leases, and the leased assets are not recognized on the Company's Balance Sheet. Payments / rental income under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

ee) Inventories

Inventories are valued at lower of cost or net realizable value, after providing for obsolesce and damages as follows:

Cost is ascertained as,

a)	Raw Material, Packing Material & Stores and Spares	At cost, on FIFO/ weighted average basis.
b)	Finished goods	At cost, plus appropriate production overheads if applicable.
c)	Material in Process	At Cost, plus appropriate production overheads.

Net realizable value is estimated selling price in the ordinary course of business less estimated cost of completion and selling expenses.

ff) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will

flow to the Company and the revenue can be reliably measured.

Sale of Goods

Sales is recognized, net of returns and trade discounts, on transfer of significant risk and rewards of ownership to the buyer, which generally coincide with the delivery of goods to the customers. Sales include income from services, export incentives and exchange fluctuations, other recurring and non-recurring incentives from the Governments.

The Company collects Goods and Service Tax (GST) and / or Tax Collected at source on behalf of the government and, therefore, these do not form a part of economic benefits flowing to the Company. Hence, they are excluded from revenue.

Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Service Income

Income from service rendered is recognised based on the terms of the agreements as and when services are rendered and are net of Goods and Service Tax (GST)/ Service tax.

Dividend Income

Dividend income from investments, if any, is accounted on the receipt basis.

gg) Foreign Currency Translation

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported into rupees at the rate of exchange prevailing on the date of Balance Sheet. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

hh) Employee benefits**(iii) Defined Contribution Plan**

The Company contributes to Government Provident Fund Scheme. The Company's contribution paid/ payable under the scheme is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

(iv) Defined Benefit Plan

The Company's liabilities on account of gratuity and leave encashment are determined at the end of each financial year on the basis of actuarial Valuation as per requirements of Accounting Standard 15 on "Employee Benefits".

ii) Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences 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.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

jj) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of preferential issue/ allotment of equity shares. For the purpose of calculating diluted earnings per shares, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

kk) Provisions

A provision is recognized when the company has a present obligation as a result of 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. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

ll) Contingent liabilities

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 consolidated financial statements.

mm) Cash and Cash equivalents

Cash and cash equivalents for the purpose of Cash flow statement comprise of cash at bank and in hand and short-term investments with an original maturity of three months or less.

nn) Research and Development

Revenue expenditure on research is expensed under respective heads of account in the period in which it is incurred. Capital expenditure is shown as addition to fixed assets.

oo) Cash Flow Statement

The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard 3 on Cash Flow Statements and presents the cash flows by operating, investing and financing activities of the Company. Cash and cash equivalents presented in the Cash Flow Statement consist of cash on hand and demand deposits with banks.

Note 2: SHARE CAPITAL
(Amount in Lakhs)

Particulars	As at	
	31st March, 2025	31st March, 2024
Authorised Share Capital		
3,50,00,000 (P.Y. 2,50,00,000) Equity Shares of Rs 10 each	3,500.00	2,500.00
Issued, Subscribed and paid up :		
2,42,98,600 (P.Y. 2,34,81,000) Equity Shares of Rs 10 each fully paid up	2,429.86	2,348.10
Total	2,429.86	2,348.10

Terms and Rights attached to Equity Shares:

The Company has only one class of Equity Shares having a par value of Rs.10/- per share. The holders of the Equity Shares are entitled to dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

Note:

In addition, pursuant to the approval granted by the shareholders at the Extraordinary General Meeting held on August 19, 2024, the Board of Directors, in its meeting held on November 27, 2024, allotted 14,91,200 convertible equity warrants on a preferential basis at a price of Rs.146.50/- per warrant, following receipt of in-principle approval from the National Stock Exchange (NSE).

As per the terms of the issue, 25% of the warrant price (Rs.36.625/- per warrant) was received at the time of allotment, with the remaining 75% payable upon conversion into equity shares. Each warrant entitles the holder to convert it into one equity share of the Company within 18 months from the date of allotment, at the holder's option.

During the reporting period, 8,17,600 warrants were converted into equity shares upon receipt of the balance amount. As of March 31, 2025, 6,73,600 warrants remain outstanding and are eligible for conversion within the stipulated period.

As of March 31, 2025, 8,17,600 equity shares arising from the conversion of warrants remain unlisted, as the Company's application for listing these shares with the National Stock Exchange (NSE) is currently under process.

The total number of equity shares of the Company stand at 2,42,98,600 shares of Rs.10/- each, out of which 2,34,81,000 shares are listed on NSE as of March 31, 2025.

2.1 The details of shareholders holding more than 5% equity shares in the company:

Name of the Shareholder	As at		As at	
	31st March, 2025		31st March, 2024	
Abhishek Umashankar Lath	53.24	21.91%	53.01	22.58%
Asha Umashankar Lath	64.64	26.60%	68.34	29.10%
Umashankar Naharmal Lath	10.95	4.51%	20.25	8.62%
Shweta Lath	8.52	3.51%	15.90	6.77%
Umashankar Naharmal Lath HUF (Karta)	13.80	5.68%	13.80	5.88%
	151.16		171.30	

2.2 Disclosure of Promoters Holding:

Name	As at 31st March, 2025		As at 31st March, 2024		% Change during the year
	No of Shares	% of Total Shares	No of Shares	% of Total Shares	
Abhishek Umashankar Lath	53.24	21.91%	53.01	22.58%	-0.43%
Asha Umashankar Lath	64.64	26.60%	68.34	29.10%	5.41%
Umashankar Naharmal Lath	10.95	4.51%	20.25	8.62%	45.91%
Shweta Lath	8.52	3.51%	15.90	6.77%	46.39%
Abhishek Umashankar Lath HUF (Karta)	0.01	0.00%	0.01	0.00%	0.00%
Umashankar Naharmal Lath HUF (Karta)	13.80	5.68%	13.80	5.88%	0.00%
	151.17		171.31		11.76%

2.3 The reconciliation of the number of shares outstanding is set out below :

Particulars	As at	
	31st March, 2025	31st March, 2024
Equity shares at the beginning of the year	234.81	234.81
Add : Equity shares issued during the year	8.18	-
Equity Shares at the end of the year	242.99	234.81

Note 3: RESERVES AND SURPLUS

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	Profit and loss Account			
As per last Balance sheet	3,061.57		3,034.45	
Less: Excess / Short Tax Provisions Previous Years	-		30.00	
Less: Dividend Paid	46.96		117.41	
Less: Fees for increase in Authorised Share Capital	9.5		-	
Less: Preferential Issue Expenses	13.66		-	
Add: Profit for the year	609.82	3,601.27	174.52	3,061.57
Securities Premium	3,989.67			
Add : Fresh Issue of warrants	1,116.02			
Less: IPO expenses	-	5,105.70	3,989.67	3,989.67
Total		8,706.98		7,051.26

3.1 Profit for the year

Particulars	Profit / Loss	Attributable to Holding Company	Attributable to NCI
Net Profit as per Standalone Statement of Profit and Loss	530.04	530.04	-
Add:			
Profit/(Loss) of subsidiaries:			
Le Merite Laxmi Spinning Private Limited	157.03	80.09	76.94
Le Merite Filament Private Limited	(0.59)	(0.30)	(0.29)
Consolidated Profit for the year	686.48	609.82	76.66

Note 4: NON-CONTROLLING INTEREST (NCI)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	Le Merite Laxmi Spinning Private Limited			
Paid up value of shares	2.45	2.45	2.45	2.45
Opening balance	(196.98)		(197.21)	
Share in profit/(loss) for the year	76.94	(120.04)	0.23	(196.98)
Le Merite Filament Private Limited				
Paid up value of shares	0.49	0.49	0.49	0.49
Opening balance	(1.70)		(1.68)	
Share in profit/(loss) for the year	(0.29)	(1.99)	(0.02)	(1.70)
Total		(119.08)		(195.74)

Note 5: LONG TERM BORROWINGS
(Amount in Lakhs)

Particulars	As at 31st March, 2025		As at 31st March, 2024	
	Non Current	Current	Non Current	Current
Secured Loans				
Jaguar Car Loan	5.64	16.13	21.76	15.01
Jeep Car Loan	3.31	6.26	9.58	5.82
Tata Harrier Car Loan A	3.11	5.02	8.13	4.63
Tata Harrier Car Loan B	5.57	3.57	9.14	3.30
Audi Q3 Car Loan	18.46	4.31		
Unsecured Loans				
From Directors & Shareholders	1,235.85		135.05	-
From Others	416.98		728.97	-
Less: Intra group loans	(416.98)		(384.05)	-
Total	1,271.94	35.28	528.58	28.76

5.1 Unsecured Loans consist of Loan from Related Party as disclosed in Related Party Disclosure.

5.2 Jaguar Car Loan is Loan taken from HDFC Bank secured against Car and Repayable in 60 monthly installments of Rs. 1.43 Lakhs each (including interest) commencing from Aug 2021 and last Installment due in Jul 2026.

The Rate of Interest is 7.20 % p.a;

5.3 Jeep Car Loan is Loan taken from Kotak Mahindra Prime Ltd secured against Car and Repayable in 60 monthly installments of Rs. 0.56 Lakhs each (including interest) commencing from Oct 2021 and last Installment due in Sept 2026. The Rate of Interest is 7.43 % p.a;

5.4 Tata Harrier Car Loan A is Loan taken from Kotak Mahindra Prime Ltd secured against Car and Repayable in 60 monthly installments of Rs. 0.46 Lakhs each (including interest) commencing from Nov 2021 and last Installment due in Oct 2026. The Rate of Interest is 7.93 % p.a;

5.5 Tata Harrier Car Loan B is Loan taken from HDFC Bank secured against Car and Repayable in 84 monthly installments of Rs. 0.35 Lakhs each (including interest) commencing from Sept 2020 and last Installment due in Aug 2027. The Rate of Interest is 8.00 % p.a;

5.6 Audi Q3 Car Loan is Loan taken from Kotak Mahindra Prime Ltd secured against Car and Repayable in 60 monthly installments of Rs. 0.51 Lakhs each (including interest) commencing from Oct 2024 and last Installment due in Sept 2029. The Rate of Interest is 8.88 % p.a;

5.7 There is no default in repayment or interest of any loans on due dates.

Note 6: OTHER LONG TERM PROVISIONS

Particulars	As at 31st March, 2025	As at 31st March, 2024
For Employee Benefits		
- Gratuity payable	30.86	24.23
Total	30.86	24.23

Note 7: SHORT TERM BORROWINGS

Particulars	As at	As at
	31st March, 2025	31st March, 2024
Secured		
Working Capital Loans From Bank		
Export Packing Credit (Shinhan Bank)	-	1,307.00
Export Packing Credit (ICICI Bank)	1,250.00	835.87
Export Packing Credit (UCO Bank)	1,056.91	1,475.28
Export Packing Credit (HDFC Bank)	1,300.69	1,135.74
Export Packing Credit (Bank of India)	2,344.57	-
L.C. Bill Discounting (ICICI Bank)	513.45	358.75
L.C. Bill Discounting (Shinhan Bank)	657.43	1,114.01
L.C. Bill Discounting (Emirates NBD Bank)	167.28	-
L.C. Bill Discounting (UCO Bank)	-	57.95
OD Facility (UCO Bank)	208.23	2,368.87
Pre-Shipment Credit in Foreign Currency (Bank of India)	484.88	-
Pre-Shipment Credit in Foreign Currency (ICICI Bank)	685.80	-
Pre-Shipment Credit in Foreign Currency (Shinhan Bank)	316.73	-
Current Maturities of long term debts		
Motor Car Loans	35.28	28.76
Total	9,021	8,682

7.1 Working Capital facility from Shinhan Bank is primarily secured against pari passu charge on entire stock of inventory, receivables, bills and other chargeable current assets of the company (both present and future) to the extent of sanctioned limits, on a pro rata basis with other lenders and the collateral security as Equitable Mortgage by deposit of title deeds on premises of the Company situated in B1-104D, Boomerang Building, Mumbai, Two Residential Flats in name of Directors situated in Powai, liquid collateral in form of Fixed Deposits of Rs. 2.25 Crs and the personal guarantee of Mr. Abhishek Lath, Mrs. Sweta Lath, Mr. Umashankar Lath and Mrs. Asha Devi Lath.

The Rate of Interest chargeable by the Bank (before claiming benefit of Interest Equilisation scheme) is as follows:

For INR: Repo Rate + 2.50% p.a.

For USD: Term SOFR + 2.00% p.a. (upto 23-10-2024), Term SOFR + 1.25% p.a. (after 23-10-2024)

7.2 Working Capital facility from ICICI Bank is primarily secured against pari passu charge by way of hypothecation on the entire stock of raw material, semi finished and finished goods, consumable stores and spares and such other movables including book debts, bills whether documentary or clean, outstanding monies, receivables both present and future in a form or manner satisfactory to bank to the extent of sanctioned limits, on a pro rata basis with other lenders and the collateral security as Equitable Mortgage on four properties in name of Directors and one property in name of company, consisting of Residential Property in Burhanpur, Vacant Land in Burhanpur, Commercial Property in Mumbai, and the unconditional personal guarantee of Mr. Abhishek Lath, Mr. Umashankar Lath, Mrs. Asha Devi Lath and Mrs. Sweta Lath

The Rate of Interest chargeable by the Bank is Repo Rate + 2.75% p.a. (less Interest Equilisation scheme benefit).

7.3 Working Capital facility from UCO Bank is primarily secured against pari passu charge by way of hypothecation on the entire stock of inventory, receivables, semi finished and finished goods, consumable stores and spares and such other movables including book debts, bills and other current asset of the company created through Bank finance both present and future to the extent of sanctioned limits, on a pro rata basis with other lenders and the collateral security as 50% liquid collateral security in form of FDR of Rs 7.78 Cr. duly charged in favor of Bank and the unconditional personal guarantee of Mr. Abhishek Lath, Mr. Umashankar Lath and Mrs. Asha Devi Lath.

The Rate of Interest chargeable by the Bank is as follows:

For Export Packing Credit in INR:

Pre-Shipment Credit: Bank's float rate + Spread (0.10% to 0.30% p.a.)

Post Shipment Credit: Bank's float rate + Spread (0.10% to 0.30% p.a.)

depending on the tenure.

For Packing Credit in Foreign Currency (other than INR):

Interest as per RBI Circular No. CHO/IW/01/2022-23 dated 12-04-2022.

7.4 Working Capital facility from HDFC is primarily secured against pari passu charge by way of hypothecation on the entire stock of inventory, receivables, semi finished and finished goods, consumable stores and spares and such other movables including book debts, bills and other current asset of the company created through Bank finance both present and future to the extent of sanctioned limits, on a pro rata basis with other lenders and the collateral security as FDR of Rs.4.50 Cr. duly charged in favor of bank and the unconditional personal guarantee of Mr. Abhishek Lath, Mr. Umashankar Lath, Mrs. Sweta Lath and Mrs. Asha Devi Lath.

The Rate of Interest chargeable by the Bank is 3 M T bill + Spread 1.83% - Constant.

7.5 Working Capital facility from Bank of India is primarily secured against pari passu charge by way of hypothecation of stock and book debts to the extent of sanctioned limits, on a pro rata basis with other lenders and the collateral security as EQM of commercial unit situated at A-307, 3rd floor admeasuring 3590 sq ft and including 6 parking units at Boomerang Co-operative Premises Society Ltd, Chandivali farm road , Powai, Andheri (East), Taluka Kurla , Mumbai 400072, in the name of company duly charged in favor of Bank and the unconditional personal guarantee of Mr. Abhishek Lath, Mr. Umashankar Lath, Mrs. Asha Devi Lath and Mrs. Sweta Lath.

The Rate of Interest chargeable by the Bank is

For INR:

Pre-shipment credit (up to 180 days): RBLR (9.35%) minus 175 bps, i.e., presently 7.60%

Post-shipment credit – Demand bills (transit period as per FEDAI): RBLR (9.35%) minus 100 bps, i.e., presently 8.35%

For USD:

Pre-shipment credit (up to 180 days): 50 basis points over Applicable Benchmark ARR (as per tenure)

Post-shipment credit – On demand bills for transit period (as per FEDAI): 50 basis points over Applicable Benchmark ARR (as per tenure)

Note 8: TRADE PAYABLES

Ageing of Trade Payable Outstanding as on 31st March 2025 is as follows:

(Amount in Lakhs)

Particulars	Not Due	Outstanding for following period from due date of payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Trade Payables						
MSME	-	-	-	-	-	-
Others	920.76	615.79	131.67	196.33	91.43	1,955.98
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
	920.76	615.79	131.67	196.33	91.43	1,955.98

Ageing of Trade Payable Outstanding as on 31st March 2024 is as follows:

Particulars	Not Due	Outstanding for following period from due date of payment				Total
		Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Trade Payables						
MSME	-	-	-	-	-	-
Others	508.29	378.36	293.93	96.11	0.69	1,277.37
Disputed Dues - MSME	-	-	-	-	-	-
Disputed Dues - Others	-	-	-	-	-	-
	508.29	378.36	293.93	96.11	0.69	1,277.37

8.1 There is no complete information for all creditors available with the management, regarding the supplier's covered as MSME Under MSME Act, 2006, reported to the extent information available.

8.2 The Management has confirmed that adequate provisions have been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required.

Note 9: OTHER CURRENT LIABILITIES

Particulars	As at	As at
	31st March, 2025	31st March, 2024
Advance from customers	151.41	45.94
Statutory Dues	17.33	53.16
Staff payable	3.10	1.09
Deposit	5.00	5.00
Unclaimed Dividend	0.95	0.89
Other Payables	52.00	-
Less : Intra group advances	(3.39)	(3.39)
Total	226.39	102.69

Note 10: SHORT TERM PROVISIONS

Particulars	As at	As at
	31st March, 2025	31st March, 2024
For Employee Benefits		
Gratuity (Current Liability)	3.78	3.08
Provision for Audit fees	2.25	-
Provision for Expenses	3.15	-
Provision for Taxes	0.08	-
Total	9.26	3.08

Note 11: PROPERTY PLANT AND EQUIPMENT

SR.NO.	DESCRIPTION	RATE OF DEPRECIATION	GROSS BLOCK		Balance as at 31-Mar-2025	ACCUMULATED DEPRECIATION & AMORTISATION			NET BLOCK		
			Balance as at 1-Apr-24	Addition		Deduction	Balance as at 01-Apr-2024	Current Depreciation on Deduction	Balance as at 31-Mar-2025	Balance as at 31-Mar-2025	Balance as at 31-Mar-2024
1	Office Building	4.87%	222.29	696.72	-	919.01	110.79	34.25	145.04	773.97	111.49
2	Factory Building	9.50%	9.94	-	-	9.94	2.07	0.75	2.82	7.13	7.87
3	Furniture & Fixtures	25.89%	65.57	237.81	-	303.38	60.44	31.71	92.15	211.23	5.12
4	Electrical Installations & Equipments	25.89%	27.83	-	-	27.83	15.00	3.32	18.32	9.51	12.83
5	Machinery	31.23%	12.50	67.21	-	79.71	7.94	18.74	26.69	53.02	4.56
6	Vehicle	31.23%	205.23	41.72	-	246.95	144.31	25.20	169.51	77.44	60.92
7	Office Equipments	45.07%	21.17	0.46	-	21.63	14.80	3.05	17.84	3.79	6.38
8	IT Equipments	39.30%	14.29	-	-	14.29	14.08	0.08	14.16	0.13	0.21
9	Computers	63.16%	3.97	0.61	-	4.58	3.47	0.54	4.02	0.57	0.50
	TOTAL		582.80	1,044.53	-	1,627.33	372.90	117.64	490.54	1,136.78	209.89
	PREVIOUS YEAR		576.20	6.60	-	582.80	326.30	46.61	372.90	209.89	249.91

11.1 Office Building in Property, Plant and Equipment is given as security for borrowings (Refer Note No. 6)

11.2 Intangible assets relates to the Pre Incorporation Expenses incurred by subsidiaries.

Note 12: NON CURRENT INVESTMENTS

(Amount in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Office Premises - Crescent Park	107.62	107.62
Investment in Land	21.00	-
Investment in Moksha Multiverse Private Limited	50.64	-
<u>Quoted</u>		
Investment in mutual funds	13.42	-
Total	192.68	107.62

- 12.1 Office Premises is given as security for borrowings refer Note No. 6.
 12.2 The investment in Moksha Multiverse Private Limited comprises of 177 Compulsorily Convertible Preference Shares (CCPS) of Rs.28,608/- each.

Note 13: DEFERRED TAX ASSETS (NET)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Deferred Tax Assets		
Related to Fixed Assets and Gratuity Provision	6.81	9.91
Total	6.81	9.91

Note 14: LONG TERM LOANS AND ADVANCES

(Unsecured and Considered Good)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Advance to Related Party	420.37	353.39
Less: Intra group loans	(420.37)	(353.39)
Total	-	-

Note 15: OTHER NON CURRENT ASSETS

Particulars	As at 31st March, 2025	As at 31st March, 2024
Security Deposit	253.81	334.09
Total	253.81	334.09

Note 16: CURRENT INVESTMENTS

Particulars	As at 31st March, 2025	As at 31st March, 2024
<u>Quoted:</u>		
Investment in equity shares of listed company	162.48	103.23
<u>Quoted:</u>		
Investment in mutual funds	-	10.42
<u>Unquoted</u>		
Tirupati Urban Co Operative Bank Shares	-	-
Total	162.48	113.65

Note 17: INVENTORIES

Particulars	As at 31st March, 2025	As at 31st March, 2024
Raw Material	-	-
Work In Progress	34.26	410.93
Finished Goods and Stock in Trade	1,078.63	1,355.42
Total	1,112.89	1,766.35

- 17.1 Inventories have been valued as per the Accounting Policies
 17.2 Inventories as above are hypothecated to secured short term borrowings (Refer Note No. 6)

Note 18: TRADE RECEIVABLES

Ageing of Trade Receivables Outstanding as on 31st March 2025 is as follows:

(Amount in Lakhs)

Particulars	Not Due						Total
		up to 180 days	6 Months - 1 Year	1-2 years	2-3 years	More than 3 Years	
Undisputed Trade Receivables - considered good	5,044.38	4,984.38	700.58	352.76	455.12	38.53	11,575.75
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	5,044.38	4,984.38	700.58	352.76	455.12	38.53	11,575.75

Ageing of Trade Receivables Outstanding as on 31st March 2024 is as follows:

Particulars	Not Due						Total
		up to 180 days	6 Months - 1 Year	1-2 years	2-3 years	More than 3 Years	
Undisputed Trade Receivables - considered good	5,347.15	2,690.55	357.65	284.76	2.48	21.88	8,704.47
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables - considered good	-	-	151.65	40.99	-	-	192.64
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Total	5,347.15	2,690.55	509.30	325.75	2.48	21.88	8,897.11

18.1 Trade Receivables as above are hypothecated to secured short term borrowings (Refer Note No. 6)

18.2 Trade receivables as at March 31, 2024, are stated net of intra group receivables amounting to Rs.34.05 lakhs, which have been eliminated on consolidation in accordance with AS 21.

Note 19: CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2025	As at 31st March, 2024
Balances with Banks	328.88	98.61
Cash in hand	33.06	28.21
Balance with fixed deposits	5,016.10	4,369.10
Total	5,378.03	4,495.91

19.1 Balances with Banks includes balances in Operative and Non Operative Accounts.

19.2 Balance with fixed deposits includes deposits placed as security against secured short term borrowings (Refer Note No. 6)

Note 20: SHORT TERM LOANS AND ADVANCES

Particulars	As at 31st March, 2025	As at 31st March, 2024
Unsecured, considered good		
Balance with tax authorities		
Export Incentives Receivable	226.90	358.64
GST Electronic Credit Ledger	669.64	637.67
GST Export Refund	475.59	392.81
Income Tax Refund Receivable	0.68	0.52
Advance Tax (Net of Provision)	16.93	66.21
TCS Receivable	4.04	-
Advances in nature of Loans	899.89	446.95
Advances with Suppliers in Trade		
Yarn	640.72	564.41
Fabric	189.78	169.08
Cotton	75.42	89.87
Others	106.38	104.04
Total	3,305.97	2,830.20

Note 21: OTHER CURRENT ASSETS

Particulars	As at 31st March, 2025	As at 31st March, 2024
Unsecured, considered good		
Advance to Staff	167.67	133.49
Advance to Investment Brokers	38.24	1.66
Other Current Assets	304.77	89.81
IEIS Claim Receivable*	144.17	-
Total	654.85	224.95

21.1 In pursuance of the instructions received from the Directorate General of Foreign Trade (DGFT)

Headquarters regarding the cap imposed under Notification No. 43 dated 25.09.2013, the concerned DGFT office is currently processing pending claims under the Incremental Exports Incentivisation Scheme (IEIS). The IEIS claim receivable represents the amount eligible and filed by the company. The claim has been filed with the relevant authorities and is pending for disbursement as of the balance sheet date and the inflow is virtually certain.

Note 22: REVENUE FROM OPERATIONS
(Amount in Lakhs)

Particulars	Year ended	
	31st March, 2025	31st March, 2024
Sale of Products (Refer to Note No.21.1)	50,383.18	44,464.14
Other operating revenue (Refer to Note no.21.1)	2,110.59	2,351.20
Total	52,493.77	46,815.34

22.1 Particulars of Revenue from Operations

Particulars	Year ended		Year ended	
	31st March, 2025		31st March, 2024	
Sale of Products				
Trading Operations:				
Yarn				
Export - Yarn	20,729.52		21,328.16	
Local - Yarn	6,646.94	27,376.47	3,601.17	24,929.33
Fabric				
Export - Fabric	3,992.93		3,186.84	
Local - Fabric	21.42	4,014.35	483.85	3,670.69
Cotton				
Export - Cotton	-		472.28	
Local - Cotton	4,094.33	4,094.33	4,017.34	4,489.62
Defence Sales	303.05	303.05	-	-
Manufacturing Operations:				
Yarn				
Export	7,399.05		8,016.34	
Local	8,215.51	15,614.56	3,358.17	11,374.51
Less: Intra group sales	(1,019.58)	(1,019.58)	-	-
Total		50,383.18		44,464.14
Other Operating Revenue				
Duty Drawback	597.33		619.27	
IEIS License Sale	144.17			
RoDTEP License Income	1,006.98		1,210.27	
Rebates, Discounts and Quality Claims Income	(9.11)		49.34	
Profit/ (Loss) on changes in foreign exchange	371.23	2,110.59	472.31	2,351.20
Total		2,110.59		2,351.20

22.2 Management has classified Revenue from Manufacturing Units in Long Term Lease / Arrangement as Revenue from Manufacturing Operations taking into consideration the Substance over form of the transaction.

22.3 Profit / (Loss) on changes in foreign exchange is presented under Other Operating Revenue within Revenue from Operations. Since all export sales are executed through forward contracts, where the sales price factors in the spot rate plus forward premium, this income is considered directly related to core operating activities, following the principle of substance over form.

Note 23: OTHER INCOME

Particulars	Year ended	
	31st March, 2025	31st March, 2024
Commission Income	366.89	-
Interest on Fixed Deposits	345.45	296.47
Interest Income on Advances	95.38	31.35
Profit/ (Loss) on sale of shares	40.36	18.58
Rent Income	24.74	3.78
Dividend Income	2.29	2.04
Interest on Income Tax Refund	1.62	0.13
Interest Income from Debtors	0.92	1.72
Unrealised profit on mark-to-market of equity investments	-	8.50
Miscellaneous Other Income	2.63	8.49
Rate Difference Income	-	2.33
Written off	231.12	-
Total	1,111.39	373.38

Note 24: PURCHASES

(Amount in Lakhs)

Particulars	Year ended		Year ended	
Raw Cotton		4,215.93		4,582.96
Fabric		3,930.01		3,496.12
<u>Yarn:</u>				
Local - Yarn Purchase	40,894.75		35,177.74	
Import	-	40,894.75	115.67	35,293.41
Defence Purchase		188.45		-
Less: Intra group purchase		(1,019.58)		-
Total		48,209.55		43,372.49

Note 25: CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS AND STOCK-IN-TRADE

Particulars	Year ended	Year ended
	31st March, 2025	31st March, 2024
Inventories (At Close)		
Goods	1,112.89	1,766.35
Inventories (At Commencement)		
Goods	1,766.35	1,803.93
Total	653.46	37.58

Note 26: EMPLOYEE BENEFITS EXPENSES

Particulars	Year ended	Year ended
	31st March, 2025	31st March, 2024
Directors Remuneration	43.80	157.20
Salaries & Wages	184.33	180.09
Other Employee benefits	3.83	4.60
Staff welfare expenses	6.07	4.09
Gratuity	8.38	5.28
Total	246.42	351.25

Note 27: FINANCE COSTS

Particulars	Year ended	Year ended
	31st March, 2025	31st March, 2024
Interest Expenses	803.14	695.77
Bank Charges	99.04	40.27
Total	902.18	736.04

Note 28: OTHER EXPENSES

(Amount in Lakhs)

Particulars	Year ended 31st March, 2025		Year ended 31st March, 2024	
<u>Direct Expenses</u>				
Job Work	589.66		748.59	
Sample Expenses	2.04		1.65	
Labour Charges	0.92		4.35	
Packaging Expenses	0.77		0.52	
Other Direct Expenses	7.74	601.13	3.21	758.31
<u>Administrative and Other Expenses</u>				
Legal & Professional Charges	103.28		62.61	
Rent Rates & Taxes	37.70		26.18	
Donations / CSR	22.92		16.59	
Defence Order Expenses	12.33		-	
Unrealised loss on mark-to-market of equity investments	9.80		-	
Electricity Charges	8.23		3.43	
Travelling & Conveyance Cost	8.02		6.54	
Printing & Stationery Cost	7.43		5.03	
Insurance Charges	8.03		4.50	
Auditor's Remuneration (Refer to note no.28.1)	5.50		5.35	
Communication Cost	1.18		1.28	
Repairs & Maintenance Cost	1.06		-	
Other Establishment Expenses	62.22		47.86	
Office and Administrative Expense	0.59			
Sundry Balances Written off	0.00	288.29	0.09	179.45
<u>Selling & Distribution Expenses</u>				
Freight and Forwarding Expenses	1,360.03		1,116.88	
Commission Expenses	271.24		286.10	
Business Promotion Expenses	30.80		31.21	
Tours & Travel expenses	30.70		15.01	
Exhibition Expenses	18.42		14.89	
Discount	10.71	1,721.90	11.64	1,475.73
Total		2,611.32		2,413.49

28.1 Particulars of Payment to Auditor

Particulars	Year ended 31st March, 2025		Year ended 31st March, 2024	
(a) Auditor				
Statutory Audit Fees	4.50		4.00	
Tax Audit fees	1.00	5.50	1.00	5.00
(b) Certification & Consulting Fees (Other Services)				0.35
		-		
Total		5.50		5.35



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Note 29: Contingent Liabilities

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(Amount in Lakhs)

Particulars	As at 31st March, 2025	As at 31st March, 2024
Claim against company not acknowledged as debts		
- in respect of Statutory Dues	-	-
- in respect of Trade		
a. Towards Case Filed by Vendor	96.73	96.73
b. Towards Case Filed by Lessor for lease of Rokadeshwar Shakari Soot Girmi	312.39	312.39
Total	409.12	409.12

Note 30: Related Party Disclosures

In accordance with the requirement of Accounting Standard (AS) -18 on Related Party Disclosures, the names of the related parties where control exists and /or with whom transactions have taken place during the year in the or during the course of business, as identified and certified by the management are:

Name of the Party	Relationship / Designation
Abhishek Lath	Managing Director and CFO
Umashankar Lath	Chairman and Managing Director
Vinit Ramesh Ashar (resigned w.e.f 15-04-2024)	Director
Ronak Jalan	Director
Shweta Lath	Additional Director
Rohit Agarwal	Independent Director
Jayadeep Mehta	Independent Director
Narendra Srivastava	Independent Director
Ashadevi Lath	Relative of Director
Umashankar Lath HUF	HUF of Director
Sandeep Poddar	Company Secretary
Burhanpur Integrated Textile Park Limited	Enterprises over which directors have significant influence
Le Merite Fashions Private Limited	Enterprises over which directors have significant influence
Hina Trading And Manufacturing Company Private Limited (related party upto 15-04-2024)	Entity exercising significant influence

The following transactions were carried out with the related parties and the balances of these related parties as at 31st March, 2025 for the period then ended are presented herein below:

Particulars	As at 31st March, 2025	As at 31st March, 2024
Remuneration		
Abhishek Lath	16.50	66.00
Umashankar Lath	11.25	45.00
Shweta Lath	10.50	42.00
Ashadevi Lath	-	12.00
Sandeep Poddar (Resigned w.e.f. March 20, 2025)	10.95	8.01
Sitting Fees		
Rohit Agarwal	1.20	1.05
Narendra Srivastava	2.10	1.50
Jayadeep Mehta	2.25	1.65
Loan Repaid		
Abhishek Lath	61.27	67.40
Umashankar Lath	217.61	20.02
Shweta Lath	36.49	4.54
Umashankar Lath HUF	-	66.76
Ashadevi Lath	60.00	-
Hina Trading And Manufacturing Company Private Limited	344.93	-



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Loan Taken		
Abhishek Lath	59.52	65.55
Umashankar Lath	1,330.63	95.70
Shweta Lath	26.02	15.00
Umashankar Lath HUF	-	50.76
Ashadevi Lath	60.00	-
Sale Transactions		
Le Merite Fashion Private Limited	6.92	181.95
Hina Trading And Manufacturing Company Private Limited	59.85	-
Purchase Transactions		
Le Merite Fashion Private Limited	165.79	1,509.42

Outstanding balances - Payable / Receivable

(Amount in Lakhs)

Particulars	As at	
	31st March, 2025	31st March, 2024
Loan Payable		
Abhishek Lath	-	1.75
Umashankar Lath	1,235.85	122.83
Umashankar Lath HUF	-	-
Shweta Lath	-	10.46
Ashadevi Lath	-	-
Hina Trading And Manufacturing Company Private Limited	-	344.93
Salary Payable		
Rohit Agarwal	1.08	-
Narendra Srivastava	1.89	-
Jayadeep Mehta	2.03	-
Sandeep Poddar	0.48	0.76
Payable		
Le Merite Fashion Private Limited	34.78	15.99
Hina Trading And Manufacturing Company Private Limited	-	9.84
Receivables:		
Ronak Jalan	0.49	0.49

Note 31: Earnings Per Share

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

The following table reflects the profit and weighted average number of equity shares used in the computation of basic and diluted EPS.

Particulars	As at	
	31st March, 2025	31st March, 2024
Profit attributable to equity holders	609.82	174.52
Weighted Average number of equity shares used for computing Earning Per Share (Basic)	235.12	234.81
Weighted Average number of equity shares used for computing Earning Per Share (Diluted)	239.92	234.81
Earning Per Share (Basic)	2.59	0.74
Earning Per Share (Diluted)	2.54	0.74
Face value per share	10.00	10.00

Note 32: Analytical Ratios

The Ratios as on 31st March 2025 are as follows:

Ratio	Numerator	Denominator	Current year	Previous year	Variance
(a) Current ratio	22189.95	11212.89	1.98	1.82	8.68%
(a) Debt-equity ratio	1307.22	11383.54	0.11	0.06	93.66%
(b) Debt service coverage ratio	987.89	36.66	26.94	8.48	217.80%
(c) Interest service coverage ratio	870.25	5.67	153.51	34.56	344.13%
(d) Return on equity ratio	686.48	10391.45	6.61%	1.84%	258.76%
(e) Inventory turnover ratio	48444.56	1439.62	33.65	26.12	28.84%
(f) Trade receivables turnover ratio	52493.77	10236.43	5.13	5.17	-0.80%
(g) Trade payables turnover ratio	47189.96	1616.68	29.19	25.67	13.70%
(h) Net capital turnover ratio	52493.77	9619.93	5.46	5.74	-5.02%
(i) Net profit ratio	686.48	52493.77	1.31%	0.37%	250.37%
(j) Return on capital employed	870.25	12690.76	6.86%	2.39%	186.69%
(k) Return on investment	686.48	11383.54	6.03%	1.86%	224.39%

Note 32.1: The variance in Debt-equity ratio is primarily due to an increase in unsecured loans from directors during the year.

Note 32.2: The variance in Debt service coverage ratio and Interest service coverage ratio is primarily due to higher operating profits driven by improved operational efficiency thereby enhancing the company's ability to service debt and interest.

Note 32.3: The variance in inventory turnover ratio during the year is mainly due to improved inventory management, resulting in faster movement of inventory.

Note 32.4: The variance in Return on Equity Ratio, Net Profit Ratio, Return on Capital Employed and Return on Investment is primarily due to improvement in operational profitability and efficiency during the current year. As a result, returns relative to equity, capital employed, and investments strengthened compared to the previous year.

Note 33: Corporate Social Responsibility

Particulars	Year ended	Year ended
	31st March, 2025	31st March, 2024
Amount required to be spent by the company during the year	-	30.43
Amount of expenditure incurred towards current year	-	3.48
Shortfall at the end of the year	-	26.95
Total of previous years shortfall	31.79	4.84
Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	23.43	-

Note 32.1: As per section 135 of the Companies Act, 2013, the company did not have a CSR obligation for the financial year 2024-25 as neither of the three criteria was met for the immediately preceeding financial year. Further, the company has spent Rs. 23,43,220/- and Rs. 4,83,680/- towards shortfall of FY 2023-24 and FY 2022-23 respectively. The balance of FY 2023-24's obligation is to be fulfilled on ongoing projects in next two years as the remaining amount has been transferred to Unspent CSR Account with ICICI Bank on 29-04-2024 in Compliance with Section 135(7) of the Companies Act, 2013.

Note 32.2: CSR obligation for the financial year 2023-24 was Rs. 30,43,402/- out of which Rs. 3,48,000/- was fulfilled during the year, the balance of Rs. 26,95,402/- is to be fulfilled on ongoing projects in next three years as the remaining amount was transferred to Unspent CSR Account with ICICI Bank on 29-04-2024 in Compliance with Section 135(7) of the Companies Act, 2013.

Note 34: Title of Immovable Properties

Relevant line items in the Balance Sheet	Description of items of property	Gross carrying value	Title deeds held in the Name of	Whether title deed holder is a promoter, director or relative of promoter/director or	Reasons for not being held in the name of company(also indicate if in dispute)
Property Plant and Equipment	Office Building	919.01	Le Merite Exports Ltd.	No	NA
Non Current Investment	Office Premises - Crescent Park	107.62	Le Merite Exports Ltd.	No	NA

Note 35: Security of current assets against borrowings

The Company has been sanctioned working capital limits from Shinhan Bank, ICICI Bank, HDFC Bank, UCO Bank and Bank of India on the basis of security of current assets and monthly statements to be filed. There are no material variances in security of current assets as per books of accounts and the monthly statements filed with the bank.

Note 36: Employee Benefits

As required under Accounting Standard 15 (Revised 2005), Actuarial Gains and Losses are recognised immediately in the Statement of Profit and Loss.

Followings are the principal actuarial assumptions used as at the balance sheet date, including, where applicable:

(Amount in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Expected Return on Plan Assets	N.A.	N.A.
Rate of Discounting	6.73%	7.21%
Rate of Salary Increase	10.00%	10.00%
Rate of Employee Turnover	5.00%	5.00%
Mortality Rate During Employment	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

Change in the Present Value of Defined Benefit Obligation:

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Present Value of Benefit Obligation at the Beginning of the Period	27.22	21.95
Interest Cost	1.96	1.64
Current Service Cost	2.51	2.09
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	1.48	0.66
Actuarial (Gains)/Losses on Obligations - Due to Experience	2.42	0.88
Present Value of Benefit Obligation at the End of the Period	34.64	27.22

Actuarial (Gains)/Losses Recognized in the Statement of Profit or Loss for Current Period

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Actuarial (Gains)/Losses on Obligation For the Period	3.90	1.54
Actuarial (Gains)/Losses on Plan Asset For the Period	N.A.	N.A.
Actuarial (Gains)/Losses Recognized in the Statement of Profit or Loss	3.90	1.54

Details of amount recognized in the Balance Sheet:

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
(Present Value of Benefit Obligation at the end of the Period)	(34.64)	(27.22)
Fair Value of Plan Assets at the end of the Period	N.A.	N.A.
Unrecognized Past Service Cost at the end of the Period	-	-
Net (Liability)/Asset Recognized in the Balance Sheet	(34.64)	(27.22)

Note 37: Un-hedged Foreign Currency Exposure

Particulars of Un-hedged Foreign Currency Exposure as at Balance sheet date is Rs. 13.88 Crs as on 31st March, 2025 and Rs. 8.50 Crs as on 31st March, 2024 as per management.

Note 38: Micro and Small Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. The Company has not received any information from the "suppliers" regarding their status under the Micro Small and Medium Enterprises Development Act, 2006.

Note 39: Expenditure in Foreign Currency

(Amount in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Commission Expenses	218.86	223.75

Note 40: Earnings in Foreign Currency

(Amount in Lakhs)

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Exports of goods	32,121.51	33,003.61

Note 41: Operating Leases

Where company is the lessee:

The company has taken various godown and units under operating lease, that are renewable on a periodic basis at the option of both the lessor and the lessee.

Lease payment recognized in the statement of Profit and Loss for the period:

Particulars	Year ended 31st March, 2025	Year ended 31st March, 2024
Charged to Statement of Profit and Loss		
Godown Rent	7.67	6.70
Factory Rent	-	-
Future minimum lease payments not later than one year*	-	-
Future minimum lease payments later than one year but not later than five years*	-	-

*Lease Agreements are to be renewed annually as per management.

**Note 42: Segment Reporting**

The Company is primarily in the business of manufacturing, purchase and sale of textiles. The Management of the Company evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit.

Note 43: Other Regulatory Disclosures

- a. The Company has not traded in crypto currency or virtual currency during the year.
- b. The Company is not declared a willful defaulter by any bank or financial institution or other lenders.
- c. The Company has no transactions with the struck off Companies under Section 248 or 560 of the Act.
- d. No proceedings were initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.
- e. There are no ultimate beneficiaries to whom the Company has lent/invested nor received any fund during the year within the meaning of Foreign Exchange Management Act 1999 and Prevention of money Laundering Act 2002.
- f. The Company has complied related to number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- g. There we no transaction in the Company which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- h. The Company does not have any charges or satisfaction, which is yet to be registered with Registrar of Companies beyond the statutory period.
- i. 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 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 (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate
- j. The Company has utilised borrowings from banks and financial institutions during the year for the specific purposes for which they were obtained. There are no instances of borrowings being used for purposes other than those for which they
- k. The details pursuant to provisions of schedule III to the Companies Act, 2013 have been given to the extent applicable

Note 44: Previous year's figures have been regrouped/ reclassified, wherever necessary to conform to this years' classification

As per our report of even date**For Nagori Nuwal & Co**

Chartered Accountant
(FRN 08185C)

**For and on behalf of Board of Directors
of Le Merite Exports Limited****CA Shankar Lal Laddha**

Partner
(Membership No 76554)
UDIN: 25076554BNIAPB2747
Place: Mumbai
Date: May 28, 2025

Abhishek Lath

MD & CFO
(DIN - 00331675)

Umashakar Lath

Chairman & MD
(DIN - 05135035)



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