

INDO GULF INDUSTRIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	As at 31st March 2025	As at 31st March 2024
I. ASSETS			
Non - current assets			
(a) Property, plant and equipment	2(a)	4,185.86	3,126.95
(b) Capital Work in Progress	2(b)	402.23	339.46
(c) Other non-current assets			
(i) Capital Advances			
Total non - current assets (A)		4,588.09	3,466.41
Current assets			
(a) Inventories	3	393.10	476.74
(b) Financial assets			
(i) Trade Receivables	4	145.08	211.18
(ii) Cash and cash equivalents	5	83.31	99.15
(iii) Bank balances other than (ii) above	6	0.10	160.65
(iv) Other Financial Assets	7	50.72	16.00
(c) Other current assets	8	419.40	317.58
Total current assets (B)		1,091.71	1,281.30
TOTAL ASSETS (A + B)		5,679.79	4,747.70
II. EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	9	95.67	95.67
(b) Other Equity	10	1,029.53	375.95
Total Equity (A)		1,125.20	471.62
Liabilities			
Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	11	1,018.59	1,265.48
(b) Deferred Tax Liabilities (Net)	12	182.75	137.42
Total non - current liabilities (B)		1,201.33	1,402.90
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	11	134.89	240.82
(ii) Trade Payables			
(a) Total outstanding dues of Micro and Small Enterprises	13	-	-
(b) Total outstanding dues of creditors other than Micro and Small Enterprises	13	1,830.82	1,531.78
(b) Other current liabilities	14	815.62	724.84
(c) Provisions	15	571.92	375.73
Total current liabilities (c)		3,353.26	2,873.18
TOTAL EQUITY AND LIABILITIES (A + B + C)		5,679.79	4,747.70

The accompanying notes form an integral part of the financial statements

As per our attached report of even date

FOR HEMANT ARORA & CO. LLP
 CHARTERED ACCOUNTANTS
 Firm's Registration No. - 002141C/C400006

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF
INDO GULF INDUSTRIES LIMITED

Kamal Nagpal
 Partner
 M. No. 408066

Rajesh Jain
 Director
 DIN: 01200520

Gaurav Kumar
 Managing Director
 DIN: 08063422

Place: Dehradun
 Date: 30th May, 2025
 UDIN: 25408066BMKQIU6391

B.D. Aggarwal **Priya Chaudhary**
 Chief Finance Officer Company Secretary

INDO GULF INDUSTRIES LIMITED

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

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Notes	For the year ended 31st March 2025	For the year ended 31st March 2024
I Revenue from Operation	16	24,701.52	17,924.53
II Other Income	17	43.25	51.41
III Total Income (I+II)		24,744.77	17,975.94
IV Expenses			
(i) Cost of Material Consumed	18	21,673.81	16,355.46
(ii) Employee benefits expense	19	746.56	564.13
(iii) Finance Cost	20	48.36	68.58
(iv) Depreciation and amortisation expense	2(a)	249.09	152.37
(v) Other expenses	21	1,122.48	609.30
V Total expenses (IV)		23,840.29	17,749.84
VI Profit/(Loss) before tax (III-V)		904.48	226.10
VII Tax expense	22		
(1) Current Tax		203.43	30.38
(2) Deferred Tax		45.33	47.94
3) Earlier year taxes written off		2.14	
Profit/(Loss) for the year from continuing operations (VI-VII)		653.58	147.78
VIII Profit/(Loss) from discontinued operations		-	-
IX Tax expense of discontinued operations		-	-
X Profit/(Loss) from Discontinued operations (after tax) (IX-X)		-	-
XI Profit/(Loss) for the period (VIII+XI)		653.58	147.78
XII Other Comprehensive Income (OCI)			
A) (i) Items that will not be reclassified to Profit or Loss		-	-
XIII (ii) Income tax relating to items that will not be reclassified to Profit or Loss		-	-
B) (i) Items that will be reclassified to Profit or Loss		-	-
(ii) Income tax relating to items that will be reclassified to Profit or Loss		-	-
Total Other Comprehensive Income for the year (XII+XIII) (Comprising Loss and Other Comprehensive Income for the year)		653.58	147.78
Earnings per share (Nominal value per share ₹1/- each)			
- Basic and Diluted (in ₹)	23	6.83	1.54

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INDO GULF INDUSTRIES LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED AS AT 31ST MARCH, 2025

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) after tax	653.58	147.78
<i>Adjustments for:</i>		
Deferred Tax Liability	45.33	47.94
Income Tax Expense	205.57	30.38
Depreciation expense	249.09	152.37
Interest on loan from related party	18.09	56.89
Interest on Secured Loan	6.66	7.09
Interest income	(2.00)	(13.54)
Balance written back	(5.52)	-
Operating Profit/(loss) before working capital changes	1,170.78	428.90
<i>Movements in working capital</i>		
Inventories	83.64	11.36
Financial Assets		
(Increase) / Decrease in Trade Receivables	66.09	(80.87)
(Increase) / Decrease in Short term Fixed Deposits	160.55	(160.65)
(Increase) / Decrease in Other Financial Assets	(34.72)	(16.00)
(Increase) / Decrease in Other Current Assets	(101.82)	(317.58)
Financial Liabilities		
Increase/(Decrease) in Borrowings	-	-
Increase / (Decrease) in Trade Payables	299.04	555.88
Increase / (Decrease) in Other Current liabilities	90.78	724.84
Increase / (Decrease) in Provisions	(3.86)	372.35
Cash from/(used) in operations	1,730.48	1,518.24
Direct Taxes Paid (Net of Refunds)	-	-
Net cash generated from/(used in) operating activities (A)	1,730.48	1,518.24
B CASH FLOW FROM INVESTING ACTIVITIES		
Interest income	2.00	13.54
Purchase of Property, Plant and Equipment 'PPE' (including CWIP)	(1,370.77)	(1,936.35)
Sale of Property, Plant and Equipment 'PPE'	-	554.43
Net cash generated from/(used in) investing activities (B)	(1,368.77)	(1,368.38)
C CASH FLOW FROM FINANCING ACTIVITIES		
Interest on Loan from related Parties	(18.09)	(56.89)
Interest on Secured Loan	(6.66)	(7.09)
Proceeds from/(Repayment of) Borrowings	(352.82)	1,506.30
Net cash generated from/(used in) financing activities (C)	(377.56)	1,442.33
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(15.85)	1,592.19
Opening cash and cash equivalents	99.15	-
Closing cash and cash equivalents	83.31	1,592.19
Components of cash and cash equivalents (Refer Note No. 5)		
Cash in hand	40.21	71.78
Balances with Banks:		
- In Current Account	43.09	27.37
Cash and Cash Equivalents at the end of the year	83.31	99.15

The above statement of cash flow has been prepared under the "Indirect Method" as set out in Ind AS 7, "Statement of Cash Flows".

The accompanying notes form an integral part of the financial statements

As per our attached report of even date

FOR HEMANT ARORA & CO. LLP
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FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF
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Gaurav Kumar
Managing Director
DIN: 08063422

Place: Dehradun
Date: 30th May, 2025
UDIN: 25408066BMKQIU6391

B.D. Aggarwal
Chief Finance Officer

Priya Chaudhary
Company Secretary

INDO GULF INDUSTRIES LIMITED**STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31ST MARCH, 2025**

(All amounts are in ₹ Lakhs, unless otherwise stated)

(a) Equity Share capital

Particulars	No. of Shares	(Amount in INR)
		Amount
Balance as at 31st March, 2023	95,67,270	95.67
Changes during the year ended 31st March, 2024	-	.
Balance as at 31st March, 2024	95,67,270	95.67
Changes during the year ended 31st March, 2025	-	.
Balance as at 31st March, 2025	95,67,270	95.67

(b) Other Equity

Particulars	Reserves and surplus Retained Earnings	Other Comprehensive Income	Total
Balance as at 31st March, 2023	228.18	-	228.18
Profit for the year ended 31st March, 2024	147.78	-	147.78
Balance as at 31st March, 2024	375.95	-	375.95
Profit for the year ended 31st March, 2025	-	-	-
Balance as at 31st March, 2025	375.95	-	375.95

The accompanying notes form an integral part of the financial statements

As per our attached report of even date

FOR HEMANT ARORA & CO. LLP
CHARTERED ACCOUNTANTS
Firm's Registration No. - 002141C/C400006

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

INDO GULF INDUSTRIES LIMITED

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INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

1. Corporate information

Indo Gulf Industries Limited (“IGIL” or “The Company”) is a Public Limited Company incorporated and domiciled in India. The registered office of the company is situated at 4237/11, IInd floor, Narendra Bhawan 1, Ansari Road, Daryaganj, New Delhi-110001, India. It was incorporated on March 05th, 1981.

The company’s shares are listed on the BSE Ltd and Ahmedabad Stock Exchange.

The principal activities of the company is manufacturing of explosives, ammunitions and fireworks.

The Company’s controlling interest aggregating to 53.96% is held by Ganesh Explosives Private Limited (*‘the holding company’*) with effect from November 08th, 2017 post the approval letter sanctioned by BSE.

These Ind AS Financial Statements were approved for issue by the Board of Directors of the Company on 30th May, 2025 and are subject to the approval by the shareholders in the ensuing Annual General Meeting.

2. Application of Indian Accounting Standards

All the Indian Accounting Standards issued under section 133 of the Companies Act, 2013 and notified by the Ministry of Corporate Affairs (MCA) under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are approved have been considered in preparation of these Financial Statements.

2.1 The MCA has notified the Companies (Indian Accounting Standards / Ind AS) Amendment Rules, 2022 on March 23, 2022, whereby the amendments to various Indian Accounting Standards has been made applicable with effect from April 1, 2022 onwards. The amendments made vide aforesaid notification dated March 23, 2022 has brought few additions and substitutions in Indian Accounting Standards (Ind AS) particularly in Ind AS 101- First-time Adoption of Indian Accounting Standards, Ind AS 103- Business Combinations, Ind AS 109- Financial Instruments, Ind AS 16- Property, plant and Equipment, Ind AS 37- Provisions, Contingent Liabilities and Contingent Assets and Ind AS 41- Agriculture, the Company is evaluating the requirements of the same and its effect on the Financial Statements is not likely to be material.

3. Significant Accounting Policies

3.1. Statement of Compliance

These Financial Statements have been prepared in accordance with the Indian Accounting Standards (“Ind AS”) as per the Companies (Indian Accounting Standards) Rules, (Amended) 2015 and notified by Ministry of Corporate Affairs (“MCA”) pursuant to Section 133 of the Companies Act, 2013 read with Rule 3.

3.2. Basis of preparation

The financial statements of the Company have been prepared on an accrual basis and under the historical cost convention except for certain financial instruments (including derivative instruments) and defined benefit plans which have been measured at fair value. The accounting policies are consistently applied by the Company to all the period mentioned in the financial statements.

Current and Non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it is:

- (a) Expected to be realized or intended to be sold or consumed in normal operating cycle.
- (b) Held primarily for the purpose of trading.
- (c) Expected to be realized within twelve months after the reporting period, or

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements

- (d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when it is:

- (a) Expected to be settled in normal operating cycle
- (b) Held primarily for the purpose of trading
- (c) It is due to be settled within twelve months after the reporting period, or
- (d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

All assets and liabilities have been classified as Current and Non-Current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products/services rendered and the time between the rendering of the products/services and their realization in cash and cash equivalent, the Company has ascertained its operating cycle as twelve months for the purpose of Current and Non Current classification of assets and liabilities.

All the Indian Accounting Standards issued and notified by the MCA are effective and considered for the significant accounting policies to the extent relevant and applicable for the Company. The Financial Statements are presented in Indian Rupee ("INR"), which is the Company's functional currency and all values are rounded to the nearest lacs up to two decimals, except per share data and otherwise indicated.

3.3. Use of estimates

The preparation of the financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. 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.

3.4. Revenue Recognition

The Company applies five step model and derives revenues primarily from sale of products and services, such as industrial explosives, safety fuses, ammonium nitrate.

Revenue from contracts with customers is recognized at the point in time when the Company satisfies a performance obligation by transferring control of a promised product or service to a customer at an amount that

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements

reflects the consideration to which the Company expects to be entitled in exchange for the sale of products and service, net of discount, taxes or duties as per Ind AS 115.

The Company's customers pay for products received in accordance with payment terms that are customary in the industry and do not have significant financing components.

3.5. Property, Plant and Equipment

(a) Initial and Subsequent Recognition

All Property, Plant and Equipment are measured at cost less depreciation and impairment losses. The cost of an asset includes the purchase cost of materials, including import duties and non-refundable taxes, and any direct cost of bringing an asset to the location and condition of its intended use. Accounting of Property, Plant and Equipment is guided under Ind AS 16. Interest on borrowings used to finance the construction of qualifying assets are capitalized as part of the cost of the asset until such time that the asset is ready for its intended use by the management.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

The present value of the expected cost for decommissioning of an asset after its use if any, is included in the cost of the respective asset if the recognition criteria for a provision are met.

The costs and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

Gains or losses arising from disposal of Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed.

(b) Depreciation

Depreciation on Property, Plant and Equipment is provided using the Straight Line Method ('SLM') over the useful lives of the assets estimated by the management. The management estimates the useful lives for the Property, Plant and Equipment as follows:

Assets	Company's estimate of useful life (in years)	Useful life as prescribed under Schedule II to the Companies Act, 2013 (in years)
Property, Plant and Equipment		
Factory Buildings	30	30
Factory Plant and Machinery	15	15
Furniture and Fixtures	10	10
Office Equipment	5	5
Lab Instruments	10	10
Generator	15	15
AC & Water Cooler	15	15
Computers	3	3
Electrical Installations and Equipment	10	10
Motor Vehicles	8	8
Other Plant and Machinery	15	15

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements

Residual value has been considered as 5% of the cost of the respective asset.

Leasehold land in the nature of perpetual lease is not amortised.

Depreciation /amortization on assets added, sold or discarded during the year is provided on pro-rata basis.

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

(c) Impairment

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's (CGU) fair value less costs of disposal and its value in use as guided by Ind AS 36.

The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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 the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

(d) Borrowing costs

Borrowing costs that are directly attributable to acquisition, construction or production of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. All other borrowing costs are recognized as an expense in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.6. Capital Work in Progress

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. All other repair and maintenance costs are recognized in profit or loss as incurred. Capital Work in Progress includes cost of property including construction stores, Materials in Transit/Equipment/Services, etc received at site for use in the projects as at the balance sheet date.

All revenue expenses incurred during construction period, which are exclusively attributable to acquisition/construction of fixed assets, are capitalized at the time of commissioning of such assets.

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements

3.7. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the noncancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease.

The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

Company as a lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. A lease is classified at the inception date as a finance lease or an operating lease. Leases under which substantially all of the risks and rewards of ownership are transferred to the Company are classified as financial leases.

(a) Right-of-use assets:

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Leasehold Land – 99 years

The Company has entered a lease arrangement with U.P. State Industrial Development Corporation Limited ('lessor') dated 17th, December, 1984 vide which the lessor has transferred the possession to the company. The same has been considered as perpetual lease in nature and hasn't been amortised.

3.8. Provisions Contingent Liabilities and contingent assets

- Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.
- The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).
- Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable. Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote. Contingent

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements

- d) liabilities are disclosed on the basis of judgment of the management/ independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

3.9. Employee benefits

1. *Provident fund*

Provident fund is a defined contribution plan covering eligible employees. The Company and the eligible employees make a monthly contribution to the provident fund maintained by the Regional Provident Fund Commissioner equal to the specified percentage of the basic salary of the eligible employees as per the scheme. The contributions to the provident fund are charged to the statement of profit and loss for the year when the contributions are due. The Company has no obligation, other than the contribution payable to the provident fund.

2. *Leave encashment*

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit for measurement purposes. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave as at the period ending 31st December which subsequently gets lapsed and are compensated for the aforesaid unavailed leaves. The Company presents the entire leave encashment liability as a current liability in the balance sheet, since employee is entitled to avail leave at the end of 9 months from the reporting date and does not have an unconditional right to defer its settlement for twelve months after the reporting date.

Liabilities for salaries and wages, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employee render the services are recognized in respect of employees' services up to the end of the Balance Sheet date and are measured at the amounts expected to be repaid when the liabilities are settled.

3.10. Financial instruments

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

a) *Financial assets*

(i) *Initial recognition and measurement*

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

The financial assets include cash and bank balances and loans and advances.

(ii) *Subsequent measurement*

For purposes of subsequent measurement, financial assets in the nature of debt are classified at amortized cost.

Debt instruments at amortized cost

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements

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

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

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

(iii) De-recognition

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at amortized cost.

All financial liabilities are recognized initially at fair value and, in the case of financial liabilities classified at amortized at cost net of directly attributable transaction costs.

The financial liabilities include borrowings and other payables.

(ii) Subsequent measurement

Financial liabilities at amortized cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost.

Financial liabilities at amortized cost

After initial recognition, financial liabilities are subsequently measured at amortized cost using EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

(iii) De-recognition

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

c) Offsetting of financial instruments

Financial assets and liabilities including derivative instruments are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis (i.e., to realize the assets and settle the liabilities simultaneously).

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements

d) Share capital

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Incremental costs directly attributable to the issuance of new equity shares are recognized as a deduction from equity, net of any tax effects.

3.11. Impairment of Assets

a) Non-financial assets

An impairment loss is recognized for the amount by which the carrying amount of the asset exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

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 the risks specific to the asset.

In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an approximate valuation model is used.

These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the impairment losses previously recognized are reversed such that the asset is recognized at its recoverable amount but not exceeding written down value which would have been reported if the impairment losses had not been recognized initially.

b) Financial assets

The Company applies expected credit loss (ECL) model in accordance with Ind AS 109 for measurement and recognition of impairment loss on the financial assets and credit risk exposure that are debt instruments, and are measured at amortized cost.

The company follows 'simplified approach' for recognition of impairment loss allowance.

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date right from its initial recognition.

ECL impairment loss allowance (or reversal) during the period is recognized as income/expense in the statement of profit and loss. The amount is reflected under the head 'Other Expenses' in the statement of profit and loss.

3.12. Taxes

The Income tax expense comprises current tax and deferred tax and is recognized in the Statement of profit or loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements

a) *Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities using the tax rates and tax laws that are enacted by the Balance Sheet date and applicable for the period.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis (i.e., to realize the assets and liabilities simultaneously).

b) *Deferred income tax*

Deferred tax is provided using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the Balance Sheet date.

Deferred tax liabilities are recognized for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each Balance Sheet date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet Date.

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 taxes relate to the same taxable entity and the same taxation authority.

3.13. Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with.

3.14. Earnings Per Share

- a) Basic Earnings Per Share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares outstanding during the year.

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements

- b) Diluted Earnings Per Share are computed by dividing the net profit/(loss) after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are determined as at the end of each period presented. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potential dilutive equity shares are adjusted retrospectively for all periods presented for any shares splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

3.15. Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash on hand, cheques on hand, balance with banks on current accounts and short-term, highly liquid investments with an original maturity of three months or less and which carry insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.16. Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Company has identified the following areas where significant judgments, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

a) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgment and the use of estimates regarding the outcome of future events.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements

3.17. Inventories

Inventories are valued at the lower of cost or net realizable value as per Ind AS 2.

Cost includes purchase price, duties, transport, handling costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition.

The basis of determination of cost is as follows:

- Raw material, packing material and stock-in-trade valued on moving weighted average basis;
- Stores and spares valued on weighted average basis;
- Work-in-progress valued at cost of input valued at moving weighted average basis plus overheads up till the stage of completion; and
- Finished goods valued at cost of input valued at moving weighted average basis plus appropriate overheads.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

3.18. Foreign currency transactions and translation

1. Functional and presentation currency

The financial statements are presented in Indian rupee (₹), which is also its functional currency.

2. Transactions and balances

Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognized in statement of profit and loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognized in the statement of profit and loss.

INDO GULF INDUSTRIES LIMITED
Notes to Financial Statements
(All amounts are in ₹ Lakhs, unless otherwise stated)
Note No. : 2(a) Property, plant and equipment

Particulars	Property, Plant and Equipment													Total
	Land (Free Hold)	Land (Lease Hold)	Buildings	Plant & equipment	Furniture & Fixtures	Office Equipments	Lab Instruments	Generator	AC & Water Cooler	Computers	Electrical Installations and Equipments	Motor Vehicles	Other Plants & Machinery	
As at 31st March, 2025														
Gross block														
Gross carrying amount as at 01.04.2024	16.58	31.45	557.71	2,619.75	11.69	6.54	11.74	65.01	5.18	8.32	98.98	162.37	77.03	3,672.34
Additions during the year	-	-	249.33	915.38	20.28	-	0.57	64.75	2.19	4.30	0.18	7.80	43.20	1,307.99
Disposals/deductions during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross carrying amount as at 31.03.2025	16.58	31.45	807.04	3535.13	31.97	6.54	12.32	129.76	7.37	12.62	99.17	170.17	120.23	4,980.33
Depreciation														
Accumulated dep as at 01.04.2024	-	-	104.84	354.46	2.97	6.54	1.12	10.42	0.90	5.58	28.97	21.05	8.55	545.39
Depreciation for the year	-	-	17.67	185.69	1.46	-	0.76	5.26	0.44	3.38	9.40	19.85	5.17	249.09
Disposals/deductions during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated dep as at 31.03.2025	-	-	122.51	540.15	4.43	6.54	1.89	15.69	1.34	8.95	38.37	40.90	13.72	794.48
Net carrying amount as at 31.03.2025	16.58	31.45	684.53	2,994.98	27.54	-	10.43	114.07	6.02	3.66	60.79	129.27	106.51	4,185.86
As at 31st March, 2024														
Gross block														
Gross carrying amount as at 01.04.2023	16.58	31.45	456.53	1,664.26	8.78	6.54	5.00	65.01	5.09	5.89	85.50	65.92	72.39	2,488.95
Additions during the year	-	-	101.18	1,509.92	2.90	-	6.74	-	0.8	2.43	13.48	96.45	4.64	1,737.82
Disposals/deductions during the year	-	-	-	554.43	-	-	-	-	-	-	-	-	-	554.43
Gross carrying amount as at 31.03.2024	16.58	31.45	557.71	2,619.75	11.69	6.54	11.74	65.01	5.18	8.32	98.98	162.37	77.03	3,672.34
Depreciation														
Accumulated dep as at 01.04.2023	-	-	87.18	255.32	1.91	5.63	0.66	6.31	0.57	4.04	19.73	7.85	3.84	393.02
Depreciation for the year	-	-	17.66	99.14	1.06	0.91	0.46	4.12	0.33	1.54	9.24	13.20	4.71	152.37
Disposals/deductions during the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated dep as at 31.03.2024	-	-	104.84	354.46	2.97	6.54	1.12	10.42	0.90	5.58	28.97	21.05	8.55	545.39
Net carrying amount as at 31.03.2024	16.58	31.45	452.87	2,265.29	8.72	-	10.62	54.58	4.28	2.74	70.01	141.32	68.48	3,126.95

1. Details of immovable properties not having title deed in the name of Indo Gulf Industries Limited:

Relevant line item in the Balance Sheet	Description of item 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 employee	Property held since which date	Reason for not being held in the name of the
Property, Plant and Equipment	Land	31.45	Uttar Pradesh State Industrial Development Corporation Limited	No	26.05.1984	Land taken on Lease from UPSIDC for 100 years

INDO GULF INDUSTRIES LIMITED**Notes to Financial Statements****Note No 2.: (b) Capital Work in Progress (CWIP)**

Particulars	As at 31st March 2025	As at 31st March 2024
Opening Balance	339.46	140.93
Additions during the year	311.27	198.53
Disposal / Capitalised during the year	248.50	-
Closing Balance	402.23	339.46

Note No. 2: (b) (a) Capital Work in Progress (CWIP) Ageing Schedule

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Projects in Progress	311.27	90.96	-	-	402.23
	<i>(198.53)</i>	<i>(114.77)</i>	<i>(26.16)</i>	-	<i>(339.46)</i>

**Previous year figures have been shown in brackets*

1. The Company does not have any project temporarily suspended or any CWIP which is overdue or has exceeded its cost compared to its original plan.

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements

(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No. : 3 Inventories

Particulars	As at 31st March 2025	As at 31st March 2024
Raw Material	262.76	420.42
Work-in-progress	2.19	26.37
Finished Goods	128.14	29.95
Total	393.10	476.74

Note No. : 4 Trade Receivables

Particulars	As at 31st March 2025	As at 31st March 2024
Unsecured - Considered Good		
- Outstanding for a period exceeding 6 months from the date they are due for payment	68.95	83.13
- Others	76.13	211.18
Total	145.08	211.18

Note No. : 4.1 Trade Receivables Ageing Schedule

(All amounts are in ₹ Lakhs, unless otherwise stated)

Particulars	Outstanding for following periods from due date of payment					Total
	< 6 months	6 month - 1 year	1 -2 Years	2 - 3 Years	> 3 Years	
(i) Undisputed Trade Receivables - Considered Good	76.13	35.80	33.16			145.08
	<i>(128.04)</i>	<i>(69.49)</i>	<i>(13.65)</i>			<i>(211.18)</i>
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
(v) Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-

(Previous year figures have been shown in brackets)

INDO GULF INDUSTRIES LIMITED**Notes to Financial Statements***(All amounts are in ₹ Lakhs, unless otherwise stated)***Note No. : 5 Cash and cash equivalents**

Particulars	As at 31st March 2025	As at 31st March 2024
Cash on hand	40.21	71.78
Balances with banks:		
- In Current Accounts	43.09	27.37
Total	83.31	99.15

Note No. : 6 Bank Balances other than Note No. 5 above

Particulars	As at 31st March 2025	As at 31st March 2024
Fixed deposits with Indian bank under lien for Bank Guarantee (maturity period from 3 months to 12 months)	0.10	160.65
Total	0.10	160.65

Note No. : 7 Other Financial assets

Particulars	As at 31st March 2025	As at 31st March 2024
Security Deposits	50.72	16.00
Total	50.72	16.00

Note No. : 8 Other Current assets

Particulars	As at 31st March 2025	As at 31st March 2024
Advances other than Capital Advances		
(a) Recoverable from Staff	13.41	6.55
(b) Director Imprest	3.44	19.98
Deposits		
(a) MAT Credit Entitlement (inclusive of earlier year)	-	-
(b) Balance in Electronic Cash Ledger	0.36	0.36
(c) Balance in Electronic Credit Ledger	141.92	-
Advances Recoverable		
(a) Advance to Suppliers	191.28	186.12
Other Recoverables		
(a) Accrued Interest on FDR	-	25.88
(b) Prepaid License fee	9.87	7.56
(c) Prepaid Taxes		
AY 2024 - 2025	-	8.36
AY 2025 - 2026	7.96	11.07
(d) Prepaid Insurance	1.16	1.71
(e) Deposit to UPSIDC	50.00	50.00
Total	419.40	317.58

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements

(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No. : 9 Equity Share capital

Particulars	As at 31st March 2025		As at 31st March 2024	
	No. of Shares	Amount	No. of Shares	Amount
(a) Authorised				
Equity shares of face value ₹1/- each (Previous period: ` 1/-) each	15,00,00,000	1500.00	15,00,00,000	1500.00
		1500.00		1500.00
(b) Issued, subscribed and fully paid up				
Equity shares of face value ₹1/- each	95,67,270	95.67	95,67,270	95.67
		95.67		95.67
(c) Reconciliation of number and amount of equity shares outstanding:				
		No. of shares	Amount	
As at 31st March 2022		95.67	95.67	
As at 31st March 2023		95,67,270	95.67	
As at 31st March 2024		95,67,270	95.67	
As at 31st March 2025		95,67,270	95.67	

(d) The Company has only one class of equity shares. The holders of equity shares are entitled to receive dividend as declared from time to time and are entitled to one vote

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

(e) 51,62,540 equity shares of par value ₹ 1/- each are held by Ganesh Explosives Private Limited, the Holding Company.

(f) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Name of the Shareholder	As at 31st March 2025		As at 31st March 2024	
	No. of shares held	% of holding to the total equity capital	No. of shares held	% of holding to the total equity capital
Ganesh Explosives Private Limited	51,62,540	53.96	51,62,540	53.96

(g) Details of shares held by Promoters:

Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
Ganesh Explosives Private Limited	51,62,540	-	51,62,540	54%	-
<i>(Previous Year)</i>	<i>51,62,540</i>	<i>-</i>	<i>51,62,540</i>	<i>54%</i>	<i>-</i>

The shareholding of Ganesh Explosives Private Limited i.e 53.96% is fraudly pledged on account of Karvy scam, as the shares were demat with karvy stock broking.

(h) The Company has not issued any equity shares without payment being received in cash in 5 years immediately preceding the balance sheet date.

(i) The Company has neither issued any bonus shares nor has bought back equity shares in 5 years immediately preceding the balance sheet date.

INDO GULF INDUSTRIES LIMITED**Notes to Financial Statements**

(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No. : 10 Other Equity

Particulars	As at 31st March 2025		As at 31st March 2024	
	Non-Current	Current	Non-Current	Current
Surplus in the Statement of Profit and Loss				
Balance at beginning of the year		375.95		228.18
Add: Profit for the year		653.58		147.78
Total		1,029.53		375.95

Note No. : 11 Borrowings (Non-current)

Particulars	As at 31st March 2025		As at 31st March 2024	
	Non-Current	Current	Non-Current	Current
Preference Share Capital				
Preference shares of par value INR 100/- each (₹)	250.00	-	250.00	-
Loans				
Secured Loan	17.40	27.58	44.96	41.98
Unsecured loan - Related Parties	751.19	107.31	970.52	198.84
Total	1,018.59	134.89	1,265.48	240.82

11.1 11.1.1 Unsecured Loan from Ganesh Explosives Private Limited will be repayable after five years from commencement of business in ten equal yearly instalments which will be applicable from FY 2023-24 and simple interest @8% p.a will be charged and repaid at the end of each financial year. The Company has not repaid the unsecured loan in equal yearly instalments. However, owing to lack of financial resources the Company has repaid the unsecured loan in varying amounts during the year.

11.1.2 Unsecured loans from Rajesh Jain are interest free and will be repayable after five years from commencement of business i.e. from FY 2023-24 in ten equal yearly instalments. The Company has not repaid the unsecured loan in equal yearly instalments. However, owing to lack of financial resources the Company has repaid the unsecured loan in varying amounts during the year.

11.1.3 During the year, the Company availed a non-fund-based credit facility in the form of a Bank Guarantee from IndusInd Bank Ltd. amounting to ₹10 crores. Out of the sanctioned limit, ₹4 crores has been utilised in favour of *Mahadhan Agritech Ltd.*, backed by a security deposit of ₹2 crores held in the name of *Mr. Rajesh Jain, Director*. A charge on the said security was created vide Charge ID No. **101017106**, dated **10/12/2024**.

INDO GULF INDUSTRIES LIMITED**Notes to Financial Statements**

(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No.: 11.2 Details of preference share capital

Particulars	As at 31st March 2025		As at 31st March 2024	
	No. of Shares	Amount (₹)	No. of Shares	Amount (₹)
(i) Authorised				
Preference shares of par value ₹ 100/- each	5,00,000	500.00	5,00,000	500.00
	5,00,000	500.00	5,00,000	500.00
(ii) Issued, subscribed and fully paid up				
0.001% Non Convertible, Non-Cumulative, Red shares of par value ₹ 100/- each	2,50,000	250.00	2,50,000	250.00
	2,50,000	250.00	2,50,000	250.00

(iii) The preference shares are non convertible in nature.

(iv) These preference shares carry dividend @ 0.001% per annum as declared from time to time. In the event of no declaration of dividend, coupon rate of 0.001% is not cumulated and gets lapsed.

(v) The preference shareholder(s) shall have no voting rights, except as provided under the Companies Act, 2013 and rules made

(vi) Each holder of preference shares is entitled to one vote per share only on resolution placed before the Company which directly affect the rights attached to preference shares.

(vii) The Company has neither issued any bonus shares nor has bought back preference shares in 5 years

(viii) The preference shares shall be redeemed at par, at the option of the Company at any time within a period not exceeding 20 years from the date of allotment i.e. 28th March, 2016 in accordance with the provisions of the Companies Act, 2013 or any such other applicable law, rules, regulations as may be applicable.

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements

(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No. : 12 Deferred Tax Liability (Net)

Particulars	As at 31st March 2025	As at 31st March 2024
At opening	137.42	89.47
Add:		
DTL created during the year	45.33	47.94
Total	182.75	137.42

12(a) Significant components of net deferred tax assets and liabilities for the year ended 31st March, 2025 are as follows:

Particulars	As at 31st March 2024	Recognised in profit and loss	Recognised in other comprehensive income	As at 31st March 2025
Property, Plant and Equipment				
Plant and Machinery	138.00	43.74	-	181.75
Building	6.73	2.50	-	9.23
Furniture and Fixtures	(7.31)	0.88	-	(6.43)
Leave Encashment	.	(1.79)	-	(1.79)
Total	137.42	45.33	-	182.75

12(b) Significant components of net deferred tax assets and liabilities for the year ended 31st March, 2024 are as follows:

Particulars	As at 31st March 2023	Recognised in profit and loss	Recognised in other comprehensive income	As at 31st March 2024
Property, Plant and Equipment				
Plant and Machinery	91.91	46.09	-	138.00
Building	6.51	0.21	-	6.73
Furniture and Fixtures	(8.95)	1.63	-	(7.31)
Total	89.47	47.94	-	137.42

Note No. : 13 Trade Payables

Particulars	As at 31st March 2025	As at 31st March 2024
Financial liabilities at amortized cost		
Trade Payables	1,830.82	1,531.78
Total	1,830.82	1,531.78

Note No. : 13.1 Trade Payables Ageing Schedule

Particulars	Outstanding for following periods from due date of payment				Total
	< 1 Year	1 - 2 Years	2 - 3 years	> 3 Years	
(i) MSME	-	-	-	-	-
(ii) Others	1,807.06	23.77	-	-	1,830.82
	(1,153.45)	(346.88)	(31.46)	-	(1,531.78)
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	-	-

*Previous year figures have been shown in brackets

Note: Management has confirmed that none of the suppliers have confirmed that they are registered under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 (Refer note 42).

INDO GULF INDUSTRIES LIMITED**Notes to Financial Statements**

(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No. : 14 Other Current liabilities

Particulars	As at 31st March 2025	As at 31st March 2024
Statutory liabilities	37.45	19.41
Advance from customers	772.76	696.63
Payables to Staff	0.71	1.47
Corporate Social Responsibility Payable	-	6.11
House Rent Payable	2.14	1.21
Water Expense Payable	0.5	-
Salary Payable	2.50	-
Total	815.62	724.84

Note No. : 15 Current Provisions

Particulars	As at 31st March 2025	As at 31st March 2024
Provision for Taxaion	203.43	3.38
Provision for Electricity	13.39	11.05
Provision for Bonus	35.00	55.82
Provision for Leave Encashment	7.13	10.27
Other provisions	312.97	295.22
Total	571.92	375.73

- (a) In pursuance to Section 115BAA of the Income Tax Act, 1961 notified by the Government of India, the Company had an irrevocable option of shifting to a lower tax rate (22% plus applicable surcharge and cess) foregoing other tax incentives and non applicability of Minimum Alternate Tax. The rate applicable to the Company is 25% plus applicable surcharge and cess. The Company exercised the said option from FY 2022-23 after closure of financial statements for lower rates of taxes and the taxes have been recognised accordingly. The Company had recognized the Current Tax Expense on the audited financial statements as per the earlier applicable tax rate of MAT at the rate of 15% plus applicable surcharge and cess. However, while assessing the return of income the company has opted for the lower tax rate under section 115BAA. Thus, MAT Credit Entitlement have been written off from the books of account accordingly.
- (b) Dy. Commisisioner of Sales Tax Baidhan Distt. Sidhi M.P. has issued recovery notice dated 2nd March, 2006 for INR 454.29 lakhs Recovery Act, 1980. The Company has recognized the reduced liability of INR 308.38 lakhs pursuant to sanction of the Rehabilitation Scheme by the Hon'ble Board for Industrial and Financial Reconstruction (BIFR) . However, the differential amount of INR 145.91 lakhs is yet to be waived off by the department as per Rehabilitation Scheme.The provision for the 5th installment of Rs. 61,67,648 is made on 31st March, 2023.

INDO GULF INDUSTRIES LIMITED**Notes to Financial Statements***(All amounts are in ₹ Lakhs, unless otherwise stated)***Note No. : 16 Revenue from Operation**

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Domestic sale	24,516.47	17,924.53
Export sale	185.04	-
Total	24,701.52	17,924.53

Note No. : 17 Other income

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Interest income on financial assets (amortized cost)		
Fixed deposits with banks	1.25	12.59
Electricity Deposit	0.75	0.95
Sale of Scrap	36.14	33.68
Balances written off	2.27	3.80
Interest on Income tax Refund	0.42	-
Miscellaneous Income	2.42	0.39
Total	43.25	51.41

Note No. : 18 Cost of Material Consumed

Cost of Material Consumed	For the year ended 31st March 2025	For the year ended 31st March 2024
Opening Stock	476.74	488.10
Add: Purchases		
Raw Material	19,329.60	15,522.90
Less: Discount Received	1,971.21	2,336.46
	17,358.38	13,186.44
Packing Material	1,200.35	872.22
Consumable Goods	16.90	8.99
Manufacturing Expenses		
Diesel & Petrol	392.57	290.47
Electricity Expenses	250.19	119.01
Freight & Cartage	1,033.69	961.83
Labour Charges	1,252.55	836.71
License Fee	5.05	7.60
Loading Unloading Charges	65.79	60.14
Custom Duty On Imports	5.85	-
Testing Charges	8.84	0.70
	21,590.16	16,344.10
Less: Closing Stock	393.10	476.74
Total	21,673.81	16,355.46

INDO GULF INDUSTRIES LIMITED**Notes to Financial Statements***(All amounts are in ₹ Lakhs, unless otherwise stated)***Note No. : 19 Employee benefits expense**

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Salaries and wages	635.40	462.69
Contribution to provident and other funds	-	0.67
House Rent Allowances	33.93	26.71
Staff welfare expense	32.12	23.46
Leave Encashment	7.13	10.27
Bonus	37.90	40.33
Worker Insurance Expenses	0.9	
Total	746.56	564.13

Note No. : 20 Finance Costs

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Bank charges	23.62	4.60
Interest on Secured Loans	6.66	7.09
Interest on Unsecured Loans	18.09	56.89
Total	48.36	68.58

Note No. : 21 Other expenses

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Office Rent (Delhi)	7.20	7.20
Repairs and Maintenance		
- Building	430.27	176.18
- Others	31.72	19.13
Payments to auditor		
- Statutory Audit	4.50	4.50
- Secretarial services	2.40	
Listing and allied fees	3.25	3.25
Legal and Professional expenses	20.30	11.64
Business Promotion	76.44	69.77
Printing & Stationery	6.67	5.19
Postage Charges	0.61	1.34
Telephone Expenses	1.36	0.39
Travelling & Conveyance Expenses	92.29	68.27
Forex Rate Fluctuations	0.38	-
Container Charges	8.24	-
Detention Charges	0.24	0.27
Consultancy Charges	-	17.74
Deferred Sales Tax Provision	17.66	-
Advertisement	0.30	0.28
Penalty, Late Fees and other payments	0.4	2.74
Discount Allowed	-	-
Entertainment Expenses	5.69	5.52
Toll & Parking Charges	38.92	22.02
Cultural and Religious Expenses	0.78	0.50
House Keeping Charges	7.59	5.21
Packing Expenses	1.88	0.98
Contractual Expenses	68.89	31.69
Insurance Expenses	7.94	8.64
Miscellaneous expenses	14.45	16.78
Valuation Charges	-	0.4
Vehicle Rent	258.50	120.01
Map Editing Expenses	1.82	1.36
Service Charges	2.84	2.55
Corporate Social Responsibility Expense	-	6.11
Annual Maintenance Charges	0.22	-
Interest and other payments	-	-
- GST Interest	0.97	-
- TDS Interest	8.12	-
Total	1,122.48	609.30

INDO GULF INDUSTRIES LIMITED**Notes to Financial Statements***(All amounts are in ₹ Lakhs, unless otherwise stated)***Note No. : 22 Tax Expense**

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Current Tax		
Current tax expense for current year	203.43	2.87
Current tax expense for earlier year	-	27.51
Minimum alternate tax for earlier years	-	-
	203.43	30.38
Deferred Tax		
Deferred tax expense for current year	45.33	47.94
	45.33	47.94
Tax Written off	2.14	-
Total	250.90	78.32

The reconciliation of estimated income tax expense at statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Profit before taxes	904.48	226.10
Indian Statutory income tax rate	25.168%	25.168%
Income tax expense	227.64	56.90
Effect of expenses that are not deductible in determining taxable profit		
Expenses not allowed in Income Tax	2.05	2.44
Tax expense for earlier year	2.14	27.51
Effect of tax rate change under section 115BAA	19.07	(8.53)
Unabsorbed depreciation of earlier years	-	-
Others	-	-
Total Income Tax Expense	250.90	78.32
Effective Tax Rate	27.74%	34.64%

Note No. : 23 Earning per share

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
Profit attributable to the equity shareholders of the company	653.58	147.78
Weighted Average Number of Equity Shares for calculating basic and diluted EPS	95,67,270	95,67,270
Nominal value of equity shares (in ₹)	1	1
Basic and Diluted Earnings Per Share (in ₹)	6.83	1.54

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements

(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No. : 24 Other disclosures

1. Contingent liabilities and commitments (to the extent not provided for)

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
a) Contingent liabilities :		
Claims against the Company not acknowledged as debts :		
a) Excise duty demand - under appeal	5.12	5.12
b) Sales tax demand- under appeal	509.38	509.38
c) Others - under appeal/litigation	19.69	19.69
	534.19	534.19
b) Commitments :		
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-

The amounts shown in 1 above represent the best possible estimates arrived at on the basis of available information. The uncertainties and timing of the cash flows are dependent on the outcome of different legal processes which have been invoked by the Company or the claimants, as the case may be and, therefore, cannot be estimated accurately. The Company does not expect any reimbursement in respect of above contingent liabilities.

In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of the

2. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006")

There are no Micro and small enterprises, to whom the Company owes dues. The information required to be disclosed under section 22 of the Micro, Small and Medium Enterprises Act 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company. The Company has not received any claim for interest from any supplier under the said Act.

S. No.	Particulars	2024-25	2023-24
1	Principal amount due to suppliers and remaining unpaid under MSMED Act, 2006	Nil	Nil
2	Interest accrued and due and unpaid to suppliers under MSMED Act on the above amount	Nil	Nil
3	Interest paid	Nil	Nil
4	Payment made to suppliers (other than interest) beyond the appointed day during the year	Nil	Nil
5	Interest due and payable to suppliers under MSMED Act for payments made for the period delay	Nil	Nil
6	Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	Nil	Nil
7	Amount of further interest remaining due and payable in succeeding year	Nil	Nil

3 Related Party Disclosures

A. The 53.96% of Equity Share Capital of the Company is held by Ganesh Explosives Private Limited, being the holding company.

B. Related parties

a) Relation and name of the related parties are:-

(a) Holding Company:

a) Ganesh Explosives Private Limited

(b) Entities in which director has substantial interest:

a) Rajesh Explosives Private Limited

b) RJ Aqua Food Private Limited

c) Bickford Fuses Private Limited

d) Indo Ammunitions Private Limited

(c) Key Managerial Personnel:

a) Mr. Bhagwan Dass Agarwal - Chief Financial Officer

b) Mr. Rajesh Jain - Director

c) Mr. Ashok Sarkar - Director

d) Mrs. Shivani Naithani - Director

e) Mr. Gaurav Kumar - Managing Director

f) Ms. Priya Chaudhary - Company Secretary

(d) Relative of Director:

a) Mrs. Padmawati Jain

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements

(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No. : 24 Other disclosures (continued)

(d) Related Party Transactions

S. No.	Related Parties	Relation with reporting entity	Nature of transaction	Transaction during the year	Closing balance as on 31/03/2025
1	Ganesh Explosives Private Limited	Holding Company	Unsecured Loan Received	450.16	(446.39)
			Unsecured Loan (Paid)	(173.69)	(42.78)
			Vehicle Rent (Paid)	(229.00)	.
2	Rajesh Explosives Private Limited	Entities in which director has	Vehicle Rent (Paid)	(29.50)	(8.48)
3	Mr. B.D. Agarwal	Key Managerial Personnel	Short Term Employee Benefits	(24.00)	-
			Reimbursement of Expenses	(27.25)	.
4	Mr. Rajesh Jain	Key Managerial Personnel	Unsecured Loan Received	780.00	(412.11)
			Unsecured Loan (Paid)	(1338.41)	.
			Office Rent	(7.20)	3.44
			House Rent	(12.00)	.
			Short Term Employee Benefits	(30.00)	.
5	Ms. Priya Chaudhary	Key Managerial Personnel	Short Term Employee Benefits	(1.44)	.
6	Mr. Gaurav Kumar	Key Managerial Personnel	Short Term Employee Benefits	(5.40)	-
			Reimbursement of Expenses	(0.79)	-
7	Mrs. Padmawati Jain	Relative of Director	Consultancy	(6.00)	.
			Unsecured Loan Received	1.07	.
			Unsecured Loan (Paid)	(30.00)	.

*Figures in brackets shows payables of the company

4 Disclosures as required by Indian Accounting Standard (Ind AS) 37 Provisions, Contingent Liabilities and Contingent Assets :

(i) Nature of provisions

Provision for contingencies

Provisions for contingencies represent provision towards various claims made/anticipated in respect of duties and taxes and other litigation claims against the Company based on the Management's assessment.

(ii) Movements in Provisions:

Particulars	Amount
Balance as at 1st April, 2023	416.77
Provided during the year	84.50
Used during the year	125.53
Reversed during the year	-
Balance as at 31st March, 2024	375.73
Non-current	.
Current	375.73
Balance as at 1st April, 2024	375.73
Provided during the year	270.15
Used during the year	73.96
Reversed during the year	-
Balance as at 31st March, 2025	571.92
Current	571.92

It is not possible to estimate the timing/uncertainties relating to utilisation /reversal from the provision for contingencies. Future cash outflow in respect of the above is determinable only upon Court decision/out of Court settlement/disposal of appeals.

The Company does not expect any reimbursement in respect of above provisions.

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements

(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No. : 24 Other disclosures (continued)

(iii) Details of pending litigations:

- (a) EPFO Dwarka, New Delhi vide its notice dated 09.12.2015 initiated enquiry u/s 14B of EPF and MP Act, 1952 levying Rs. 5.59 Lakhs against damages.. IGIL vide its letter dated 11.01.2016 has requested EPFO Dwarka, New Delhi to waive damages of Rs. 5.59 Lakhs. Final order from EPFO Dwarka, New Delhi is awaited as on date. As the company have got the waiver of Rs. 54.48 lacs by CBT similarly the company has taken up the matter with CBT for the waiver of 5.59 lacs.
- (b) Sales Tax Department, Jhansi has issued various recovery certificates in year 2004 amounting to Rs. 201.00 Lakhs towards Sales Tax dues excluding interest for not submitting the C, 3B & F forms related to A.Y. 1988-89 to 2000-01. As a result of same, IGIL Jhansi Explosive unit is under attachment of Sales Tax Department. In the meantime, IGIL has collected several forms C, 3B and F, mainly from Coal India Limited and its subsidiaries. IGIL is to take up the matter with Jhansi Sales Tax Dept. for adjusting the outstanding liability of IGIL against the collected "C" & "F" forms and simultaneously to re- assess the actual liability based on the actual assessment. The company has deposited Rs. 8.81 lacs during the FY 2022-23.
- (c) The Commercial Tax officer, Waidhan, Singrauli vide letter No. VAAK/Recovery/20222/159 dt. 25.08.2022 has advised us to deposit Rs. 30731801/- regarding payment of demand ascertained against Indo Gulf Industries Ltd . As per the order of BIFR dt. 24.06.2010, the company was to make the payment of Rs. 308.38 lacs to Sales Tax Dept. MP after restart of the plant over a period of 5 years, however, the Indo Gulf did not take the possession of its Waidhan plant as it was already seized and auctioned by then Sales Tax authorities and the entire position has been explained to the Sales Tax authorities at Waidhan & Indore and the matter is under their consideration.
- (d) Central Excise dept. District Sidhi, Waidhan, (M.P.) vide its notice dated 17.02.2003 raised demand of Rs. 5.12 Lakhs towards Excise duty, interest and penalty. IGIL is yet to retrieve further details of same from concerned department for taking necessary action. After the takeover of the company, we have not received any communication from Central Excise Waidhan.
- (e) State Sales Tax Authorities of Orissa, Madhya Pradesh & Chhattisgarh have also issued various Recovery Certificates for non- submission of C, F & 3B forms in relation to various site mixing slurries (SMS) Explosive units located in these states. IGIL is yet to retrieve further details of same from concerned department for taking necessary action. Sales Tax Authority of Orissa & M .P. issued R C for non submission of C,F & 3B forms. After the takeover of the company, we have not received any communication from Central Excise Waidhan.
- (f) Deputy Commissioner of Income Tax, New Delhi passed an order u/s 271(1) (C) of the I.T. Act 1961 on 29.04.2015 imposing penalty of Rs. 4.05 Lakhs for A.Y. 2012-13. IGIL filed an Appeal on 27.05.2015 with Commissioner of Income Tax (Appeals), New Delhi challenging the DCIT order dated 29.04.2015. Same is pending with Commissioner of Income Tax (Appeals), New Delhi as on date. The matter is pending with CIT, Appeals, New Delhi.
- (g) Sachin Chemical filed suit No. 194 of 2003 in Tis Hazari Court, New Delhi for recovery of Rs. 1.69 lakhs towards non-payment of Chemical Supplies. Matter is pending in the was declared "SINE DIE" by virtue of SICA. The matter is pending in the court.
- (h) Simalin Chemicals filed Civil Suit No 194/2003 before Civil Judge, Vadodra for recovery of 7.02. Lakhs. Present status of the civil suit no. 194/2003 is not known since year 2004.
- (i) Scale Away has filed suit No. 35 of 2002 pending in Delhi Tis Hazari Court, New Delhi for recovery of Rs.1.34 Lakh. Same is pending as on date. Further details and hearing date is still awaited.
- (j) UPSIDC had allotted a land of 706.05 acres on lease to Indo Gulf Industries Limited in December 1984 for setting up the facilities for manufacturing of Slurry Explosives out of which 50 acres was allotted for setting up the plant and remaining 656.05 acres for maintaining Safety Zones being an explosive plant as per Explosive Act.

The Uttar Pradesh State Industrial Development Authority (UPSIDA) has raised a demand of Rs 769 Lakhs on 31st March 2022 vide letter No RMJ/INDOGULF towards economic rent outstanding premium and interest their own for the closure period and also after our takeover period from 2017-2020.

Consistent efforts have been made by the new management after taking over the company with the UPSIDA and State Government for waiver of dues for the closure period. The company is also prepared to remit 25% of the total settled dues as mutually agreed upon by the company and UPSIDA. It's noted that an amount of Rs. 50 lacs, already paid via DD No. 840809 dated September 14, 2023 and the remaining will be paid by the end of Sept. 2024. The balance of 75% of the settled dues may be disbursed over the next two years from the settlement date in equal quarterly installments.

With the consistent efforts made by the new management, UPSIDA approved our proposal for land transfer vide their letter No. 70/UPSIDA/RMJ/Indogulf dated May 9, 2025, As per the letter total amount to be payable is Rs 1941.6 lacs. It's noted that an amount of Rs 485.40 lacs is paid ,and remaining will be paid in equal half-yearly instalments over a 3-year period.

INDO GULF INDUSTRIES LIMITED

Notes to Financial Statements

(All amounts are in ₹ Lakhs, unless otherwise stated)

Note No. : 24 Other disclosures (continued)

5 The Hon'ble Appellate Authority for Industrial and Financial Reconstruction (AAIFR) at its hearing held on 14th June, 2016 has, inter-alia, discharged the Company from the purview of The Sick Industrial Companies (Special Provisions) Act, 1985 (SICA), since the networth of the company turned positive. Accordingly, the Company ceases to be a Sick Company.

6 Segment information

The Board of Directors has been identified as the Company's chief operating decision-maker (CODM) as defined by Ind AS 108 – Operating Segments. The Company is in the The information about secondary segment has not been furnished as there is no export revenue of the Company.

7 Disclosure pursuant to Indian Accounting Standard-12 "Income Taxes"

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset is recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

8 Disclosure pursuant to Indian Accounting Standard - 36 on "Impairment of Assets"

During the year no impairment loss has been recognized in respect of property, plant and equipment.

9 Disclosure pursuant to Indian Accounting Standard - 19 on "Employee Benefits"

During the year under review, no liability has accrued on account of long-term employee benefits payable by the Company. Hence, information as per the requirements of Indian Accounting Standard - 19 on "Employee Benefits" is not required to be disclosed.

10 Expenditure on Corporate Social Responsibilities (CSR) Activities

During the year, the CSR provisions are not applicable to the company, and it is not obligated to incur any CSR expenses as per Section 135 of the Companies Act, 2013. However, in accordance with Section 135 of the Companies Act, 2013, the company established a corporate social responsibility (CSR) committee in the previous year.

- (a) Gross amount to be spent as per section 135 of the Companies Act, 2013 : Nil (Previous year - 6,11,479/-)
- (b) Amount contributed during the year : Nil (Previous year - 6,11,479/-)
- (c) Amount spent during the year on :
 - (i) Construction / acquisition of any assets : Nil (Previous year - Nil)
 - (ii) On purpose other than (i) above : Nil (Previous year - Rs 6,11,479/-)

Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024
1. Amount required to be spent by the company during the year	-	6.11
2. Amount contributed during the year	-	-
3. Shortfall at the end of the year	-	6.11
4. Total of previous years shortfall	-	-
5. Reason for shortfall	Not Applicable	Ongoing discussion with NGOs on new projects and not yet finalised.
6. Nature of CSR activities	Not Applicable	Funds specified in Schedule VII
7. Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard:	Not Applicable	Not Applicable

11 Disclosure under Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has neither given any loan nor has advanced any amount either during the current year ended 31st March, 2025 or during the previous year ended 31st March, 2024. Hence, the requirements under the said Schedule is not applicable to the Company and no information is required to be disclosed.

INDO GULF INDUSTRIES LIMITED*(All amounts are in ₹ Lakhs, unless otherwise stated)***Notes to Financial Statements****Note No. : 24 Other disclosures (Continued)****12 Fair Value Measurements****A. Financial instruments by category****As at 31st March, 2025**

Sl. No.	Particulars	Amortized cost	FVTOCI	FVTPL	Total
	Non-Current Assets				
(1)	Financial assets	-	-	-	-
	Current Assets				
(2)	Financial assets				
(a)	Trade Receivables	145.08	-	-	145.08
(b)	Cash and cash equivalents	83.31	-	-	83.31
(c)	Bank balances other than (b) above	0.10	-	-	0.10
(d)	Other current Assets	50.72	-	-	50.72
	Total	279.21	-	-	279.21
	Non Current Liabilities				
(3)	Financial liabilities				
(a)	Borrowings	1,018.59	-	-	1,018.59
	Current Liabilities				
	Financial liabilities				
(a)	Borrowings	134.89	-	-	134.89
(b)	Trade Payables	1,830.82	-	-	1,830.82
	Total	2,984.30	-	-	2,984.30

As at 31st March, 2024

Sl. No.	Particulars	Amortized cost	FVTOCI	FVTPL	Total
	Non-Current Assets				
(1)	Financial assets	-	-	-	-
	Current Assets				
(2)	Financial assets				
(a)	Trade Receivables	211.18	-	-	211.18
(b)	Cash and cash equivalents	99.15	-	-	99.15
(c)	Bank balances other than (b) above	160.65	-	-	160.65
(d)	Other current Assets	16.00	-	-	16.00
	Total	486.98	-	-	486.98
	Non Current Liabilities				
(3)	Financial liabilities				
(a)	Borrowings	1265.48	-	-	1265.48
	Current Liabilities				
	Financial liabilities				
(a)	Borrowings	240.82	-	-	240.82
(b)	Trade Payables	1,531.78	-	-	1,531.78
	Total	3,038.09	-	-	3,038.09

INDO GULF INDUSTRIES LIMITED*(All amounts are in ₹ Lakhs, unless otherwise stated)***Notes to Financial Statements****Note No. : 24 Other disclosures (Continued)****B. Valuation technique, methods and assumptions used to determine the fair values:**

Fair value is a market-based measurement, not an entity-specific measurement. Under Ind AS, fair valuation of financial instruments is guided by Ind AS 113 “Fair Value Measurement” (Ind AS – 113).

In terms of Ind AS 113, the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

C. Fair Value Hierarchy

This section explains the judgements and estimates based in determining the fair values of the financial instruments that are

- a) recognized and measured at fair value and
- b) measured at amortized cost and for which fair value are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining the fair value, the Company has classified its financial assets and liabilities into three levels prescribed under Ind AS.

The following tables provides the fair value measurement hierarchy of the Company’s assets and liabilities.

(i) Financial assets and financial liabilities measured at fair value as at 31st March 2025:

Sl. No.	Particulars	Level 1	Level 2	Level 3	Total
A.	Financial assets [At amortized cost (current)]				
	Trade Receivables	-	-	145.08	145.08
	Cash and cash equivalents	-	-	83.31	83.31
	Bank balances other than cash and cash equivalents	-	-	0.10	0.10
	Other financial assets	-	-	50.72	50.72
	Total financial assets	-	-	279.21	279.21
B.	Financial Liabilities [At amortized cost]				
(a)	Non-current				
	Borrowings	-	-	1,018.59	1,018.59
(b)	Current				
	Borrowings	-	-	134.89	134.89
	Trade Payables	-	-	1,830.82	1,830.82
	Total financial liabilities	-	-	2,984.30	2,984.30

(ii) Financial assets and financial liabilities measured at fair value as at 31st March 2024

Sl. No.	Particulars	Level 1	Level 2	Level 3	Total
A.	Financial assets [At amortized cost (current)]				
	Trade Receivables	-	-	211.18	211.18
	Cash and cash equivalents	-	-	99.15	99.15
	Bank balances other than cash and cash equivalents	-	-	160.65	160.65
	Other financial assets	-	-	16.00	16.00
	Total financial assets	-	-	486.98	486.98

INDO GULF INDUSTRIES LIMITED*(All amounts are in ₹ Lakhs, unless otherwise stated)***Notes to Financial Statements****Note No. : 24 Other disclosures (Continued)****B. Financial Liabilities [At amortized cost]**

(a) Non-current				
Borrowings	-	-	1,265.48	1,265.48
(b) Current				
Borrowings	-	-	240.82	240.82
Trade Payables	-	-	1,531.78	1,531.78
Total financial liabilities	-	-	3,038.09	3,038.09

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value financial instruments that are not traded in an active market is determined using valuation techniques by maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There have been no transfers between Level 1 and Level 2 either during the year ended 31st March 2024 or during the year ended 31st March 2023.

(iii) The carrying amount of cash and cash equivalents, bank balances other than cash and cash equivalents, and other current financial assets and financial liabilities are considered to be same as their fair value due to the short-term maturities of these instruments.

13 Financial risk management objectives and policies

The Company's principal financial liabilities comprise borrowings. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and bank balances.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Sl. No.	Particulars	< 1 year	1 to 5 years	> 5 years	Total
A.	As at 31st March 2025				
(i)	Borrowings	134.89	17.40	1,001.19	1,153.48
(ii)	Other financial liabilities	-	-	-	-
	Total	134.89	17.40	1,001.19	1,153.48
B.	As at 31st March 2024				
(i)	Borrowings	70.91	169.91	1,265.48	1,506.30
(ii)	Other financial liabilities	-	-	-	-
	Total	70.91	169.91	1,265.48	1,506.30

14 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and other equity attributable to the equity share-holders of the Company. The Company's objective when managing capital is to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits for other stake holders.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2025 and 31st March 2024.

15 Transactions with struck off companies

During the year the company has not entered into any transactions with companies struck off u/s 248 of the Companies Act, 2013 or u/s 560 of the Companies Act, 1956

INDO GULF INDUSTRIES LIMITED*(All amounts are in ₹ Lakhs, unless otherwise stated)***Notes to Financial Statements****Note No. : 24 Other disclosures (Continued)****16 Financial Ratios**

Sl. No.	Particulars	For the year ended 31st March 2025	For the year ended 31st March 2024	Change in %	Reasons for Variance
1	Current Ratio	0.33	0.45	-27%	This is mainly due to increase in trade payables during the year.
2	Debt - Equity Ratio	0.91	2.68	-66%	
3	Debt Service Coverage Ratio	37.49	5.69	559%	This is mainly due to decrease in EBIT and increase in interest payable.
4	Return on Equity (%)	0.58	0.31	85%	This is mainly due to decrease in profits during the year.
5	Inventory Turnover Ratio	49.83	33.90	47%	
6	Trade Receivable Turnover Ratio	138.67	104.98	32%	
7	Trade Payable Turnover Ratio	12.22	13.08	-7%	This is mainly due to decrease in purchase and increase in average trade payables during
8	Net Capital Turnover Ratio	-10.92	-11.26	-3%	This is mainly due to negative net working capital during the year.
9	Net Profit Ratio	0.03	0.01	221%	This is mainly due to decrease in profits during the year.
10	Return on Capital Employed (%)	0.30	0.11	178%	This is mainly due to decrease in profits during the year.
11	Return on Investment (%)	N/A	N/A	N/A	

17 Previous year figures have been regrouped / reclassified wherever necessary.

As per our attached report of even date

FOR HEMANT ARORA & CO. LLP
 CHARTERED ACCOUNTANTS
 Firm's Registration No. 002141C/C400006

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
INDO GULF INDUSTRIES LIMITED

Kamal Nagpal
 Partner
 M. No. 408066

Rajesh Jain
 Director
 DIN: 01200520

Gaurav Kumar
 Managing Director
 DIN: 08063422

Place: Dehradun
 Date: 30th May 2025
 UDIN: 25408066BMKQIU6391

B.D. Aggarwal
 Chief Finance Officer

Priya Chaudhary
 Company Secretary