OSWAL SUNIL & COMPANY
CHARTERED ACCOUNTANTS
71, DARYAGANJ, NEW DELHI-110 002
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INDEPENDENT AUDITORS' REPORT

To the Members of HTL Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **HTL Limited** ("the Company"), which comprise the balance sheet as at March 31, 2025, the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and loss (including other comprehensive loss), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

Other Information

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. The other information comprising the above documents is expected to be made available to us after the date of this auditor's report.

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

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

When we read the other information comprising the above documents, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per applicable laws and regulations.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making 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 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 Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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- 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors 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 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 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

A. 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.

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

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(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash flows and the statement of changes in equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

(e) 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.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed the impact of pending litigations on its financial position in its Note No 39 of the financial statements;

ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

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

(i)

(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;

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(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.

(j) The Company has not paid or proposed any dividend during the year.

(k) Based on our examination which included test checks and representation made by the management, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For Oswal Sunil & Company
Chartered Accountants
Firm Registration No. 016520N

Nishant Bhansali
Partner
Membership No: 532900
UDIN: 25532900BMLYCH8950

Place: New Delhi
Date: May 20, 2025

ANNEXURE 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in "Paragraph-A" under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of HTL Limited of even date)

1.

(a)

A. The Company has maintained proper records showing full particulars including quantitative details and situations of its Property Plant and Equipment.

B. The Company has maintained proper records showing full particulars of its Intangible Assets.

(b) Property, Plant and equipment of the company are physically verified according to a phased program of coverage which, in our opinion, is reasonable. Pursuant to the program, physical verification of the Property, Plant and equipment was carried out during the year by the management and no material discrepancies were noticed on such physical verification.

(c) According to the information and explanation given to us, the title deeds of all immovable properties disclosed in the financial statements are held in the name of the Company except the following:

Description of Property	Gross Carrying Value	Held in name of	Whether promoter, director or their relative or employee	Period held– indicate range, where appropriate	Reason for not being held in name of the company
30.99 acres of Assigned land at Guindy Industrial Area, Chennai	Re. 1	Government of Tamilnadu	No	52 Years	Pattas and Encumbrance Certificate are available in the name of Company and the process of getting clear title is in process. The Assigned land is subject to dispute pending at Madras High Court. Refer Note 44 to the Financial Statement.

(d) The company has not revalued its Property Plant and Equipment or Intangible Assets or both during the year.

(e) According to the information and explanation given to us, no proceedings have been initiated or are pending against the company for holding any benami property under Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

2.

(a) As per the information and explanation given to us, the Inventories, except for stocks lying with certain third parties from whom confirmations have been obtained for stocks held as at the year end, have been physically verified by the management at reasonable intervals during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate. In our opinion, the discrepancies noticed on physical verification were less than 10% in aggregate for each class of inventory and the same have been properly dealt with in the books of accounts.

(b) 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. As per the information and explanation given to us and represented by the management in Note 23.4 of the financial statement, the quarterly returns or statements filed by the company with banks are generally in agreement with the books of accounts of the Company.

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3. According to the information and explanation given to us, the company has not made investments in or provided any guarantee or security or granted any loans or advances in nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. Accordingly, provision of clause 3(iii) are not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, the Company has, in respect of loans, investments, guarantees, and security, complied with the provisions of Section 185 and 186 of the Companies Act.

5. According to the information and explanation given to us, the Company has not accepted any deposits, within the directives issued by the Reserve Bank of India, and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013. Hence the provisions of clause 3(v) are not applicable to the Company.

6. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

7.

(a) According to the information and explanations given to us and records examined by us, the Company is generally regular in depositing, with the appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, custom duty, cess and other material statutory dues wherever applicable. According to information and explanation given to us, and as per the records examined by us, no undisputed arrears of statutory dues outstanding as at 31st March, 2025 from the date they became payable.

(b) According to the information and explanations given to us and as certified by the management, dues outstanding of income-tax on account of any dispute is as follows:

Name of the statute	Nature of dues	Gross Demand	Paid under Appeal	Period to which the amount relates	Forum where dispute is pending
The CGST Act 2017	Goods & Service Tax	332 Lacs	33 Lacs	July 2017 to March 2018	Commissioner Central Tax, Appeals -II, GST

8. According to the information and explanation given to us, there was no transaction which was not recorded in the books of account and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

9.

(a) According to our audit procedures and the information and explanation given to us, the company has not defaulted in the repayment of loans or borrowings or in payment of interest to any lender.

(b) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not been declared as willful defaulter by any bank or financial institution or any other lender.

(c) To the best of our knowledge and belief and according to the information and explanations given to us, the terms loans were applied for the purpose for which the loans were obtained.

(d) To the best of our knowledge and belief and according to the information and explanations given to us, the fund raised on short term basis have not been utilized for the long term purposes.

(e) In our opinion, the Company does not have any subsidiaries, associates or joint ventures and accordingly the requirements under paragraph 3(ix)(e) and 3(ix)(f) are not applicable to the company.

10.

(a) Based on our examinations of the records and information and explanations given to us, the company has not raised any money by way of initial public offer (IPO) or further public offer (FPO) (including debt instruments).

(b) Based on our examinations of the records and information and explanations given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures during the year.

11.

(a) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the company or on the company has been noticed or reported during the year.

(b) To the best of our knowledge and belief, no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to the information and explanations given to us and based on our examination, there were no whistle-blower complaints received during the year by the Company;

12. The Company is not a Nidhi company, hence the provisions of clause 3(xii) are not applicable to the Company.

13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act 2013 where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

14.

(a) In our opinion and according to information provided to us, the internal audit of the company is being carried out by an independent firm of chartered accountants for which a scope of work has been agreed upon with them which is generally commensurate with the size and nature of the business of the Company.

(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.

15. According to the information and explanation given to us and the books of accounts verified by us, the Company has not entered into any non-cash transaction with directors or persons connected with him and hence the provision of clause 3(xv) are not applicable to the Company.

16. 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.

17. The company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.

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18. There has been no resignation of the statutory auditors of the Company during the year.

19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is 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.

20.

(a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) In respect of ongoing projects, the company has transferred unspent amount for the financial year ending March 31, 2025 to a separate CSR special account within a period of thirty days from the end of the financial year in compliance with provisions of section 135(6) of the said Act.

For Oswal Sunil & Company
Chartered Accountants
Firm Registration No. 016520N

Nishant Bhansali
Partner
Membership No: 532900
UDIN: 25532900BMLYCH8950

Place: New Delhi
Date: May 20, 2025

ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF HTL LIMITED AS ON 31ST MARCH, 2025.

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")

TO THE MEMBERS OF HTL LIMITED

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the 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 control over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on audit of Internal financial controls over financial reporting (the "Guidance Note") and the standards on auditing as specified under Section 143 (10) of the companies act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by Institute of Chartered Accountants of India. Those standards and the guidance note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal financial controls over financial reporting were 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 control 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, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with the 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; (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Oswal Sunil & Company
Chartered Accountants
Firm Registration No. 016520N

Nishant Bhansali
Partner
Membership No: 532900
UDIN: 25532900BMLYCH8950

Place: New Delhi
Date: May 20, 2025

HTL Limited
(CIN: U93090TN1960PLC004355)
(All amounts are in Rs Lakhs.)
Balance Sheet as at March 31,2025

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
Assets			
Non-current Assets			
(a) Property, Plant and Equipment	4	14,497.43	15,076.62
(b) Capital work-in-progress	5	1,084.72	710.75
(c) Intangible assets (other than Goodwill)	6	61.91	75.23
(d) Financial Assets			
(i) Investments	7	409.15	-
(ii) Others	8	164.79	577.18
(e) Deferred tax Assets (Net)	9	193.90	-
(f) Other non-current assets	10	304.81	641.42
Total non-current assets		**16,716.71**	**17,081.20**
Current Assets			
(a) Inventories	11	13,791.56	13,259.59
(b) Financial Assets			
(i) Investments	12	11.30	18.60
(ii) Trade Receivables	13	24,636.15	23,937.99
(iii) Cash and cash equivalents	14	26.39	5.28
(iv) Bank balances other than (iii) above	15	1,816.36	1,413.97
(v) Others	16	489.80	406.18
(c) Current Tax Assets (Net)	17	99.94	36.13
(d) Other current assets	18	1,854.64	877.70
Total current assets		**42,726.14**	**39,955.44**
Total Assets		**59,442.85**	**57,036.64**
Equity and Liabilities			
Equity			
(a) Equity Share capital	19	1,500.00	1,500.00
(b) Other Equity	19	14,183.30	15,684.25
Total Equity		**15,683.30**	**17,184.25**
Liabilities			
Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	20	8,585.91	5,855.36
(ii) Others	21	-	7,200.00
(b) Provisions	22	269.30	269.29
(c) Deferred tax liabilities (Net)	9	-	303.60
Total non-current liabilities		**8,855.21**	**13,628.25**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	23	17,687.52	12,314.26
(ii) Trade Payables			
(a) total outstanding dues of micro enterprises and small enterprises;	24	1,259.18	547.45
(b) total outstanding dues of creditors other than micro enterprises and small enterprises.		14,026.69	9,846.72
(iii) Other financial liabilities	25	1,335.76	1,234.46
(b) Other current liabilities	26	539.17	1,777.58
(c) Provisions	27	56.02	29.18
(d) Current Tax Liabilities (Net)	17	-	474.49
Total current liabilities		**34,904.34**	**26,224.14**
Total Liabilities		**43,759.55**	**39,852.39**
Total equity and liabilities		**59,442.85**	**57,036.64**

The accompanying notes form an integral part of the financial statement.

As per our report of even date attached
For Oswal Sunil & Company
Chartered Accountants
Firm Reg. No.: 016520N

NISHANT BHANSALI
Partner
M.No.: 532900

New Delhi, 20th May 2025

For and on behalf of the Board

MAHENDRA NAHATA
Chairman
DIN: 00052898

K.C. JANI
Director
DIN: 02535299

S. NARAYANAN
Company Secretary
M.No ACS5772

C D PONNAPPA
Chief Financial Officer
PAN: ACZPP1337Q

Mumbai, 20th May 2025

HTL Limited
(CIN: U93090TN1960PLC004355)
(All amounts are in Rs Lakhs.)
Statement of Profit and loss for the year ended March 31, 2025

	Particulars	Note No.	For the year ended March 31, 2025	For the year ended March 31, 2024
I.	**INCOME**			
	Revenue from operations	28	57,459.53	84,428.55
	Other Income	29	486.74	432.31
	Total Income (I)		**57,946.27**	**84,860.86**
II.	**EXPENSE**			
	Cost of Material Consumed	30	41,284.98	59,272.71
	Other Direct cost	31	762.53	1,253.13
	Purchases of Stock-in-Trade		951.33	684.82
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	32	(519.31)	2,056.31
	Employee benefits expense	33	6,785.87	6,489.60
	Finance Costs	34	3,569.85	3,273.20
	Depreciation, Amortization and Impairment expenses	4 & 6	2,030.87	2,272.19
	Other Expenses	35	5,033.25	5,337.91
	Total Expenses (II)		**59,899.37**	**80,639.87**
III	**Profit / (loss) before exceptional items and income tax (I-II)**		**(1,953.10)**	**4,220.99**
IV	Exceptional item		-	-
V	**Profit / (Loss) before tax (III - IV)**		**(1,953.10)**	**4,220.99**
VI	**Tax expenses**			
	Current tax		60.06	1,387.09
	Deferred Tax		(501.20)	(22.96)
			(441.14)	1,364.13
VII	**Profit / (Loss) for the year (V-VI)**		**(1,511.96)**	**2,856.86**
VIII	**Other Comprehensive Income / (loss)**			
	Items that will not be reclassified to profit or loss			
	(i) Remeasurement of defined benefit plans;		14.71	(12.62)
	(ii) Income tax on above item;		(3.70)	3.18
	Other comprehensive income / (loss) for the year (VIII)		**11.01**	**(9.44)**
IX	**Total comprehensive income / (loss) for the year (VII+VIII)**		**(1,500.95)**	**2,847.42**
	Earnings / (loss) per share attributable to the equity holders of the Company during the year			
	Basic (in Rs.)	36	**(100.80)**	**190.46**
	Diluted (in Rs.)	36	**(100.80)**	**190.46**

The accompanying notes form an integral part of the financial statement.

As per our report of even date attached

For Oswal Sunil & Company
Chartered Accountants
Firm Reg. No.: 016520N

NISHANT BHANSALI
Partner
M.No.: 532900

New Delhi, 20th May 2025

For and on behalf of the Board

MAHENDRA NAHATA
Chairman
DIN: 00052898

K.C. JANI
Director
DIN: 02535299

S. NARAYANAN
Company Secretary
M.No ACS5772

C D PONNAPPA
Chief Financial Officer
PAN: ACZPP1337Q

Mumbai, 20th May 2025

HTL Limited
(CIN: U93090TN1960PLC004355)
(All amounts are in Rs Lakhs.)
Statement of Cash Flow for the year ended 31st March, 2025

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
I.	**Cash Flow From Operating Activities**		
	Net Profit / (Loss) Before Tax	(1,953.10)	4,220.99
	Adjustments for		
	Depreciation, Amortization and Impairment expenses	2,030.87	2,272.19
	Provision for Expected Credit Loss, Bad debts and other balances written off	65.43	9.12
	Loss on sales/discard of property, plant and equipment	11.46	8.60
	Finance costs	3,569.85	3,273.20
	Interest Income	(87.01)	(156.17)
	Exchange Fluctuation Income (Net)	60.68	44.37
		3,698.18	**9,672.30**
	Change in operating assets and liabilities		
	(Increase)/Decrease in trade receivables	(763.59)	(5,797.42)
	(Increase)/Decrease in inventories	(531.97)	3,985.94
	Increase/(Decrease) in trade payables	4,831.02	(480.45)
	(Increase)/Decrease in other financial assets	(76.91)	(97.86)
	(Increase)/Decrease in other Non-current assets	-	-
	(Increase)/Decrease in other current assets	(976.94)	132.92
	Increase/(Decrease) in other Non-current liabilities	0.01	48.90
	Increase/(Decrease) in other current liabilities	(1,410.64)	1,020.90
	Cash generated from operations	**4,769.16**	**8,485.23**
	Income taxes (paid)/refund	(598.36)	(2,601.32)
	Net cash from / (used in) operating activities	**4,170.80**	**5,883.91**
II	**Cash flows from investing activities**		
	Payments for property, plant and equipment including CWIP & Capital Advances	(1,186.49)	(2,265.50)
	Payment for intangible assets (other than goodwill) including CWIP	(5.30)	(1.66)
	Proceeds from sale of property, plant and equipment	6.12	-
	Bank deposits (placed)/matured (net)	(15.95)	504.10
	Proceeds from sale of investments	7.30	-
	Payments for purchase of investments	(409.15)	-
	Interest received	106.25	126.04
	Net cash from / (used in) investing activities	**(1,497.22)**	**(1,637.02)**
III	**Cash flows from financing activities**		
	Proceeds of borrowings	12,282.71	5,323.64
	(Repayment) of borrowings and advances	(11,378.90)	(3,945.12)
	Interest paid	(3,556.28)	(5,629.05)
	Net cash from / (used in) financing activities	**(2,652.47)**	**(4,250.53)**
IV	**Net increase (decrease) in cash and cash equivalents (I + II + III)**	**21.11**	**(3.64)**
V	Cash and cash equivalents at the beginning of the financial year	5.28	8.92
VI	**Cash and cash equivalents at end of the year**	**26.39**	**5.28**
	Notes:		
	i)The Statement of Cash flow has been prepared under the indirect method as set-out in the Ind AS - 7 "Statement of Cash Flow" as specified in the Companies (Indian Accounting Standards) Rules, 2015.		
	ii) Figures in bracket indicate cash outflow.		
	iii) Cash and cash equivalents (Refer Note 14) comprise of the following		
	Cash on Hand	0.66	0.50
	Balance with Banks in Current Accounts	14.15	4.78
	Fixed Deposits with Bank	11.58	-
	Balances per statement of cash flows	**26.39**	**5.28**
	iv) Analysis of movement in borrowings		
	Borrowings at the beginning of the year	18,169.63	16,791.12
	Movement due to cash transactions as per the Statement of Cash Flows	903.81	1,378.51
	Borrowings at the end of the year	**19,073.44**	**18,169.63**

The accompanying notes form an integral part of the financial statement.

As per our report of even date attached

For Oswal Sunil & Company
Chartered Accountants
Firm Reg. No.: 016520N

NISHANT BHANSALI
Partner
M.No.: 532900

New Delhi, 20th May 2025

For and on behalf of the Board

MAHENDRA NAHATA
Chairman
DIN: 00052898

K.C. JANI
Director
DIN: 02535299

S. NARAYANAN
Company Secretary
M.No ACS5772

C D PONNAPPA
Chief Financial Officer
PAN: ACZPP1337Q

Mumbai, 20th May 2025

HTL Limited
(All amounts are in Rs Lakhs.)
Statement of Changes in Equity for the year ended 31st March 2025

A) Equity Share Capital

Particulars	Amount
As at April 01, 2023	1,500.00
Changes in equity share capital	-
As at March 31, 2024	1,500.00
Changes in equity share capital	-
As at March 31, 2025	1,500.00

B) Other equity

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Capital Reserve *	Retained Earnings	Share Based Payment	Remeasurement of defined benefit plans	
As at April 01, 2023	**0.00**	**12,954.65**	**24.64**	**(142.46)**	**12,836.83**
Share Based Payment to employee (Refer note no.46)	-	-	-	-	-
Total Comprehensive Income for the year	-	2,856.86	-	(9.44)	2,847.42
Balance as at March 31, 2024	**0.00**	**15,811.51**	**24.64**	**(151.90)**	**15,684.25**
Share Based Payment to employee (Refer note no. 46)	-	-	-	-	-
Total Comprehensive Income for the year	-	(1,511.96)	-	11.01	(1,500.95)
Balance as at March 31, 2025	**0.00**	**14,299.55**	**24.64**	**(140.89)**	**14,183.30**

* Capital Reserve of Re. 1/- represents amount paid for land acquired free of cost from Tamilnadu State Government.

The accompanying notes form an integral part of the financial statement.

As per our report of even date attached

For Oswal Sunil & Company
Chartered Accountants
Firm Reg. No.: 016520N

NISHANT BHANSALI
Partner
M.No.: 532900

New Delhi, 20th May 2025

For and on behalf of the Board

MAHENDRA NAHATA
Chairman
DIN: 00052898

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S. NARAYANAN
Company Secretary
M.No ACS5772

C D PONNAPPA
Chief Financial Officer
PAN: ACZPP1337Q

Mumbai, 20th May 2025

1. Corporate information

HTL Limited ("the Company") was a wholly owned undertaking of Government of India ('GOI') under the Department of Telecommunications ('DOT') till 16th October'2001 when the Government divested 74 % of its shareholding in the Company as part of its divestment program, including transfer of management control, to HFCL Limited, which is now the Holding Company. From 2015-16, the Company has started manufacturing Optical Fiber Cables and Passive Connectivity Solution.

The financial statements are approved for issue by the Company's Board of Directors on 20th May 2025.

2. Application of new and revised Ind -AS

All the Indian Accounting Standards issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 to the extent applicable have been considered in preparing these financial statements.

Recent accounting pronouncements:-

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

3. Material accounting policies

3.1. Basis of preparation

3.1.1. <u>Compliance with Ind AS</u>

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.

3.1.2. <u>Historical Cost Convention</u>

The Financial Statements have been prepared on the historical cost basis except for the followings:

- certain financial assets and liabilities and contingent consideration that is measured at fair value;
- assets held for sale measured at fair value less cost to sell;
- defined benefit plans plan assets measured at fair value; and

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The Financial Statements are presented in Indian Rupees Lakhs except where otherwise stated.

3.1.3. <u>Use of Estimates and Judgments</u>

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected

3.1.4. <u>Material accounting policies</u>

The accounting policies, as set out in the following paragraph of this note, have been consistently applied, to all the periods presented in these financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy.

The company adopted Disclosure of Accounting Policies (Amendments to Ind AS I) from I April 2023. Although the amendments did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

3.2. Current versus 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 realised or intended to be sold or consumed in normal operating cycle, **or**

b) Held primarily for the purpose of trading, or

c) Expected to be realised within twelve months after the reporting period other than for (a) above, or

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 current when:

a) It is expected to be settled in normal operating cycle, **or**

b) It is held primarily for the purpose of trading, **or**

c) It is due to be settled within twelve months after the reporting period other than for (a) above, 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.

3.3. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The Company categorizes assets and liabilities measured at fair value into one of three levels as follows:

- Level 1 — Quoted (unadjusted)
  This hierarchy includes financial instruments measured using quoted prices.

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

  Level 2 inputs include the following:

  a) quoted prices for similar assets or liabilities in active markets.
  b) quoted prices for identical or similar assets or liabilities in markets that are not active.
  c) inputs other than quoted prices that are observable for the asset or liability.
  d) Market – corroborated inputs.

- Level 3
  They 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. Fair values are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

3.4. Non-current assets held for sale

Non-current assets and disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

3.5. Property Plant and Equipment

Freehold Land is carried at the actual cost. All other items of PPE are stated at actual cost less accumulated depreciation and impairment loss. Actual cost is inclusive of freight, installation cost, duties, taxes and other incidental expenses for bringing the asset to its working conditions for its intended use (net of eligible input taxes) and any cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended by the Management.

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital advances and capital work-in-progress (CWIP) respectively.

Significant Parts of an item of PPE (including major inspections) having different useful lives & material value or other factors are accounted for as separate components. All other repairs and maintenance costs are recognized in the statement of profit and loss as incurred.

Depreciation of these PPE commences when the assets are ready for their intended use. Property, Plant and Equipment (PPE) and intangible assets are not depreciated or amortized once classified as held for sale.

Depreciation is provided for on Buildings (including buildings taken on lease) and Plant & Machinery on straight line method and on other PPE on written down value method on the basis of useful life. On assets acquired on lease (including improvements to the leasehold premises), amortization has been provided for on Straight Line Method over the primary period of lease.

The estimated useful lives and residual values are reviewed on an annual basis and if necessary, changes in estimates are accounted for prospectively.

Depreciation on subsequent expenditure on PPE arising on account of capital improvement or other factors is provided for prospectively over the remaining useful life.

The useful life of property, plant and equipment are as follows:-

Asset Class	Useful Life
Freehold Buildings*	Factory Building : 20 years Staff Quarters : 40 years
Leasehold Improvements	Over the period of lease
Plant & Machinery	7.5- 15 Years
Furniture & Fixtures	10 years
Electrical Installations	10 years
Computers	3 – 6 years
Office Equipments	5 years
Vehicles	8 years

*For these classes of assets based on internal assessment and technical evaluation, the management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of Companies Act 2013.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or over the shorter of the assets useful life and the lease term if there is an uncertainty that the company will obtain ownership at the end of the lease term.

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

3.6. Intangible Assets

(i) Recognition of intangible assets

a. *Internally Generated Assets*

Intangible assets that are acquired subsequent to transition date are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangible asset arising from development activity is recognised at cost on demonstration of its technical feasibility, the intention and ability of the Company to complete, use or sell it, only if, it is probable that the asset would generate future economic benefit and to use or sell of the asset, adequate resources to complete the development are available and the expenditure attributable to the said assets during its development can be measured reliably.

b. *Computer software*

Purchase of computer software used for the purpose of operations is capitalized. However, any expenses on software support, maintenance, upgrade etc. payable periodically is charged to the Statement of Profit & Loss.

(ii) De-recognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, 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 derecognized.

(iii) Amortisation periods and methods

Intangible assets are amortised on straight line basis over a period ranging between 2-5 years which equates its economic useful life.

3.7. 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.

3.7.1. Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories based on business model of the entity:

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortized cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognized in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments are measured at fair value. Equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value.

The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. This amount is not recycled from OCI to P & L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Financial assets are measured at fair value through profit or loss unless they are measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in Statement of Profit and Loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

De-recognition of financial assets
A financial asset is de-recognized only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognized.

Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is de-recognised if the Group has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Impairment of financial assets

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. In determining the allowances for doubtful trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. For all other financial assets, expected credit losses are measured at an amount equal to the 12-months expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L).

3.7.2 Financial liabilities

Financial liabilities and equity instruments issued by the company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Initial recognition and measurement

Financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss.

Subsequent measurement

Financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the statement of profit and loss.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial period which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings

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

Financial guarantee contracts

Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

3.8. Impairment of non-financial assets

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.

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.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss.

A previously recognized impairment loss (except for goodwill) is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited to the carrying amount of the asset.

3.9. Inventories

Inventories are valued at the lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Raw materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Weighted Average Cost Method.
- Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on Standard Cost method.
- Traded goods: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Contract Work in Progress : It is valued at cost

- Loose Tools (Consumables) –It is Valued at cost after write off at 27.82%

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.

3.10. Revenue recognition

- **Sale of Goods**

The company derives revenue from sale of manufactured goods and traded goods. In accordance with Ind AS 115, the company recognizes revenue from sale of products and services at a time when performance obligation is satisfied and upon transfer of control of promised products or services to customer in an amount that reflects the consideration the company expects to receive in exchange for their products or services.

The company disaggregates the revenue based on nature of products/geography. The company presents revenues net of indirect taxes in its Statement of Profit and loss.

- **Export Incentives**

Export incentives are accounted for on export of goods, if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.

- **Interest income**

Interest income on deposits with banks is recognised at effective interest rate applicable.
Interest income from other financial assets is recognised at the effective interest rate method on initial recognition.

- **Dividends**

Dividend income is recognised when the right to receive payment is established.

- **Rental income**

Rental income arising from operating leases or on investment properties is accounted for on a straight-line basis over the lease terms and is included in other non-operating income in the statement of profit and loss.

- **Insurance Claims**

Insurance claims are accounted for as and when admitted by the concerned authority.

3.11. Foreign currency transactions

The functional currency of the Company is Indian Rupees which represents the currency of the economic environment in which it operates.

Transactions in currencies other than the Company's functional currency (are recognized at the rates of exchange prevailing at the dates of the transactions. Monetary items denominated in foreign currency at the year end are translated at the functional currency spot rate of exchange at the reporting date.

Any income or expense on account of exchange difference between the date of transaction and on settlement or on translation is recognized in the profit and loss account as income or expense.

Non monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation difference on such assets and liabilities carried at fair value are reported as part of fair value gain or loss.

3.12. Employee Benefits

Short term employee benefits:-

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Long-Term employee benefits

Compensated expenses which are not expected to occur within twelve months after the end of period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

Post-employment obligations

i. Defined contribution plans

Provident Fund and employees' state insurance schemes

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate (presently 12%) of the employees' basic salary. These contributions are made to the fund administered and managed by the Government of India. In addition, some employees of the Company are covered under the employees' state insurance schemes, which are also defined contribution schemes recognized and administered by the Government of India.

The Company's contributions to both these schemes are expensed in the Statement of Profit and Loss. The Company has no further obligations under these plans beyond its monthly contributions.

ii. Defined benefit Gratuity plan

The Company provides for gratuity obligations through a defined benefit retirement plan (the 'Gratuity Plan') covering all employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement or termination of employment based on the respective employee salary and years of employment with the Company. The Company provides for the Gratuity Plan based on actuarial valuations in accordance with Indian Accounting Standard 19 (revised), "Employee Benefits". The Company makes periodic contributions to the HDFC Standard Life Insurance Company Ltd for the Gratuity Plan in respect of employees. The present value of obligation under gratuity is determined based on actuarial valuation using Project Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Defined retirement benefit plans comprising of gratuity, un-availed leave, post-retirement medical benefits and other terminal benefits, are recognized based on the present value of defined benefit obligation which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

iii. Other Long Term Employee Benefits

Leave Encashment

Other long term employee benefit comprises of leave encashment towards un-availed earned leave. These are recognized as per the actuarial valuation as per the Projected Unit Credit Method carried out at the end of each annual reporting period.

Re-measurements of leave encashment towards un-availed leave are recognized in the Statement of profit and loss.

iv. **Actuarial gains and losses are recognized in OCI as and when incurred.**
The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest as defined above),are recognized in other comprehensive income except those included in cost of assets as permitted in the period in which they occur and are not subsequently reclassified to profit or loss.

The retirement benefit obligation recognized in the Financial Statements represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of reductions in future contributions to the plans.

Termination benefits

Termination benefits are recognized as an expense in the period in which they are incurred.

3.13. Share-based compensation

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date.

3.14. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset are capitalized as part of cost of such asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Borrowing costs consists of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.15. 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 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.

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.

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.

3.16. Cash Flow Statement

Cash flows are reported using the indirect method. The cash flows from operating, investing and financing activities of the Company are segregated.

3.17. Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit 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 that could have been issued upon conversion of all dilutive potential equity shares.

3.18. Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statement. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax liabilities are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries, associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

3.19. Exceptional Items

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities, which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

HTL Limited
(All amounts are in Rs Lakhs.)
Notes forming part of the Financials Statements for the year ended March 31, 2025

4 Property, Plant and Equipment

Particulars	Plant and Machinery	Building	Electrical Installations	Furniture and Fixtures	Office Equipments	Computers	Vehicles	Land Freehold	Total
Gross Carrying Value									
As at April 01, 2023	17,927.05	5,547.83	750.64	142.11	213.79	326.29	42.94	6.36	24,957.01
Additions	968.82	629.42	114.07	7.72	34.39	63.36	6.46	-	1,824.24
Disposals / Adjustments	31.44	-	11.46	-	-	-	-	-	42.90
As at March 31, 2024	18,864.43	6,177.25	853.25	149.83	248.18	389.65	49.40	6.36	26,738.35
Additions	639.86	736.22	4.49	20.49	22.58	27.00	-	-	1,450.64
Disposals / Adjustments	80.02		-			-	-		80.02
As at March 31, 2025	19,424.27	6,913.47	857.74	170.32	270.76	416.65	49.40	6.36	28,108.97
Accumulated depreciation and impairment									
As at April 01, 2023	7,425.74	1,232.17	307.26	67.39	138.54	231.65	39.56	-	9,442.31
Depreciation for the year	1,702.25	270.16	138.45	20.54	43.20	76.81	2.21	-	2,253.71
Disposals / Adjustments	25.50	-	8.79	-	-	-	-	-	34.29
As at March 31, 2024	9,102.49	1,502.33	436.92	87.93	181.83	308.46	41.77	-	11,661.73
Depreciation for the year	1,185.00	292.39	109.32	18.96	34.73	56.67	1.97	-	1,699.04
Impairment for the year	513.21	-	-	-	-	-	-	-	513.21
Disposals / Adjustments	62.44	-	-	-	-	-	-	-	62.44
As at March 31, 2025	10,538.26	1,794.72	546.24	106.89	216.56	365.13	43.74	-	13,611.54
Net Carrying Value									
As at March 31, 2024	9,761.94	4,674.92	416.33	61.90	66.35	81.19	7.63	6.36	15,076.62
As at March 31, 2025	8,886.01	5,118.75	311.50	63.43	54.20	51.52	5.66	6.36	14,497.43

Notes:
1. The following properties are pending for title transfer in the name of the Company

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 of promoter/ director	Property held since which date
Property, plant and equipment (refer note 44)	Land (Assigned) at Guindy Industrial Area, Chennai	-	State Government of Tamil Nadu	No	30th September 1970

2. The Company has not revalued any property, plant and equipment in current financial year as well as previous year.
3. Refer Note 20 and 23 for details of assets pledged

HTL Limited
(All amounts are in Rs Lakhs.)
Notes forming part of the Financials Statements for the year ended March 31, 2025

5 Capital work-in-progress

Particulars	Buildings	Plant & Machinery	Electrical Installations	Office Equipments	Computers	Total
As at April 01, 2023	339.51	319.71	125.70	-	-	784.91
Additions	264.64	580.31	4.60	-	-	849.54
Disposals / Adjustments	262.09	540.41	121.21	-	-	923.70
As at March 31, 2024	342.06	359.61	9.09	-	-	710.75
Additions	984.44	1,355.46	9.13	6.42	21.03	2,376.48
Disposals / Adjustments	971.37	1,017.56	13.59	-	-	2,002.51
As at March 31, 2025	355.13	697.51	4.63	6.42	21.03	1,084.72

5.1 Ageing details of capital work in progress (CWIP) *

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Projects in progress					
As at March 31, 2024	626.01	84.74	-	-	710.75
As at March 31, 2025	1,082.44	2.28	-	-	1,084.72

* As on the date of the balance sheet, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost,based on the latest approved plan

6 Intangible Assets (other than goodwill)

Particulars	Intangible Asset (Software)	Total
Gross Carrying Value		
As at April 01, 2023	258.69	258.69
Additions	1.66	1.66
Disposals / Adjustments	-	-
As at March 31, 2024	260.35	260.35
Additions	5.30	5.30
Disposals / Adjustments	-	-
As at March 31, 2025	265.65	265.65
Accumulated Amortization and impairment		
As at April 01, 2023	166.64	166.64
Amortization for the year	18.48	18.48
Disposals / Adjustments	-	-
As at March 31, 2024	185.12	185.12
Amortization for the year	18.62	18.62
Disposals / Adjustments		-
As at March 31, 2025	203.74	203.74
Net Carrying Value		
As at March 31, 2024	75.23	75.23
As at March 31, 2025	61.91	61.91

Notes:
1. The Company has not revalued any intangible assets in current financial year as well as previous year

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HTL Limited
(All amounts are in Rs Lakhs.)
Notes forming part of the Financials Statements for the year ended March 31, 2025

7 Non -Current Financial Assets - Investments

Particulars	As at March 31, 2025	As at March 31, 2024
Unquoted Investments		
Investments in Equity instrument	409.15	-
Total	409.15	-

7.1 Details of Non-Current Financial Assets - Investments

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	Amount	No. of Shares	Amount
Financial assets measured at FVTOCI				
Investment in equity instruments (Non Trade)				
Unquoted Equity Shares (Fully Paid up)				
Amplus IRU Private limited- FV Rs 10/- per share	40,91,500	409.15	-	-
Total		409.15	-	-

8 Non-Current Financial Assets - Others

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered Good		
Fixed Deposits with Bank (Maturity more than 12 months)*	164.79	577.18
Total	164.79	577.18

*Above fixed deposit held as margin money/securities with banks

9 Deferred Tax Assets / (Liabilities)

Particulars	Defined Benefit Obligations	Property, plant and Equipment	Others	Total
As at 1 April, 2023	59.48	(495.18)	105.96	(329.74)
(Changed)/Credited				
- to Statement of profit and loss	12.46	41.31	(30.81)	22.96
- to other comprehensive income	3.18	-	-	3.18
As at 31 March, 2024	75.12	(453.87)	75.15	(303.60)
(Changed)/Credited				
- to Statement of profit and loss	8.15	13.74	479.31	501.20
- to other comprehensive income	(3.70)	-	-	(3.70)
As at 31 March, 2025	79.57	(440.13)	554.46	193.90

10 Other non-current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, Considered Good		
Capital Advances	304.81	641.42
Total	304.81	641.42

11 Inventories (at cost or net realisable value whichever is lower)

Particulars	As at March 31, 2025	As at March 31, 2024
Inventories (As certified and valued by the management)		
Raw Material	7,652.76	7,985.45
Raw Material-In transit	531.81	381.92
	8,184.57	8,367.37
Work-in-progress	1,228.89	1,800.92
Finished goods	2,510.48	1,786.61
Stock-in-trade Goods	519.62	152.15
Stores & Spares	1,104.74	947.19
Loose tools	243.26	205.35
Total	13,791.56	13,259.59

12 Current Financial Assets - Investments

Particulars	As at March 31, 2025	As at March 31, 2024
Unquoted Investments		
Investments in Equity instrument	11.30	18.60
Total	11.30	18.60

12.1 Details of Current Financial Assets - Investments

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	Amount	No. of Shares	Amount
Financial assets measured at FVTOCI				
Investment in equity instruments (Non Trade)				
Unquoted Equity Shares (Fully Paid up)				
- NSL Wind Power Company (Phoolwadi) Private Limited - FV Rs 10/- per share	1,12,995	11.30	1,86,000	18.60
Total Current Financial Investments		11.30		18.60

HTL Limited
(All amounts are in Rs Lakhs.)
Notes forming part of the Financials Statements for the year ended March 31, 2025

13 Current Financial Assets - Trade Receivables

Particulars	As at March 31, 2025	As at March 31, 2024
Undisputed Trade Receivables -Unsecured, Considered Good	24,636.15	23,927.98
Disputed Trade Receivables -Unsecured, Considered Good	-	10.01
Undisputed Trade Receivables - Credit Impaired	7.63	-
	24,643.78	23,937.99
Less: Expected Credit Loss allowance	7.63	-
Total	**24,636.15**	**23,937.99**
Movement in the expected credit loss allowance of trade receivables are as follows:		
Balance at the Beginning of the year	-	-
Add: Provided during the year	7.63	-
Less: Provision reversed	-	-
Balance at the end of the year	**7.63**	**-**

13.1. Trade Receivable Ageing Schedule as at 31st March,2025

Particulars	Not Due	Less than 6 Months	6 Months - 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables							
- Considered good	10,809.42	9,929.28	1,550.78	2,214.77	131.90	-	24,636.15
- Credit impaired	-	-	-	-	2.21	5.42	7.63
Disputed Trade Receivables							
- Considered good	-	-	-	-	-	-	-
- Credit impaired	-	-	-	-	-	-	-
Total	10,809.42	9,929.28	1,550.78	2,214.77	134.11	5.42	24,643.78
Less: Expected credit loss allowance of trade receivables	-	-	-	-	-	-	(7.63)
Total current trade	10,809.42	9,929.28	1,550.78	2,214.77	134.11	5.42	24,636.15

Trade Receivable Ageing Schedule as at 31st March,2024

Particulars	Not Due	Less than 6 Months	6 Months - 1 Year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables							
- Considered good	13,399.02	8,652.43	1,700.45	135.90	5.74	34.43	23,927.98
- Credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables							
- Considered good	-	-	-	-	-	10.01	10.01
- Credit impaired	-	-	-	-	-	-	-
Total	13,399.02	8,652.43	1,700.45	135.90	5.74	44.44	23,937.99
Less: Expected credit loss allowance of trade receivables	-	-	-	-	-	-	-
Total current trade receivables	13,399.02	8,652.43	1,700.45	135.90	5.74	44.44	23,937.99

13.2 The credit period towards trade receivables generally ranges between 0 to 180 days. General payment terms includes process time with the respective customers between 30 to 60 days and certain retention money within 180 Days.

13.3 In determining the allowance for trade receivables the Company has used practical expedients based on financial condition of the customers, ageing of the customer receivables and over-dues, availability of collaterals and historical experience of collections from customers. The concentration of risk with respect to trade receivables is reasonably low as most of the customers are Government and large Corporate organisations though there may be normal delays in collections.

13.4 Above balance of trade receivables include recoverable from related party (Refer Note 41).

14 Current Financial Assets - Cash & cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Cash & Cash Equivalents		
Balance with banks,		
- in current account	14.15	4.78
Cash on hand;	0.66	0.50
Fixed Deposits with Bank (Original maturity less than 3 months)	11.58	-
Total	**26.39**	**5.28**

15 Current Financial Assets - Other Bank Balances

Particulars	As at March 31, 2025	As at March 31, 2024
Fixed Deposits with Bank (Maturity more than 3 Months but less than 12 months) *	1,761.22	1,332.88
Balance with banks in CSR Unspent account ** (Refer Note 47)	55.14	81.09
Total	**1,816.36**	**1,413.97**

*Above fixed deposit held as margin money/securities with banks

** Rs 55.14 Lakhs (Previous year Rs 81.09 Lakhs) has restricted use

16 Current Financial Assets -Other Assets

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, Considered good		
Security Deposits	357.52	338.88
Interest Receivables	48.06	67.30
Other Claims Recoverable	84.22	-
Total	**489.80**	**406.18**

17 Current Tax Assets/(Liabilities)

Particulars	As at March 31, 2025	As at March 31, 2024
Current Tax Assets (Net of Income Tax provision)	99.94	36.13
Current Tax Liabilities (Net of Advance Tax & TDS/TCS)	-	(474.49)
Total	**99.94**	**(438.36)**

18 Other Current Assets

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, Considered good		
Indirect Tax Recoverable	984.48	151.03
Prepaid Expenses	432.73	280.33
Export Incentive Receivable	9.16	18.35
Advances Recoverable in cash or in kind	13.86	21.86
Deposit with Statutory Authorities under Appeal	33.36	33.36
Unbilled Revenue - Debtors	4.78	-
Advances to Vendors	376.27	372.77
Total	**1,854.64**	**877.70**

HTL Limited
(All amounts are in Rs Lakhs.)
Notes forming part of the Financials Statements for the year ended March 31, 2025

19 **(a) Equity Share Capital**

(i) Authorised Share Capital

Particulars	No of Shares	Amount
As at 1 April, 2023	**20,00,000**	**2,000.00**
Increase during the year	-	-
As at 31 March, 2024	**20,00,000**	**2,000.00**
Increase during the year	-	-
As at 31 March, 2025	**20,00,000**	**2,000.00**

(ii) Shares issued, subscribed and fully paid-up

Particulars	No of shares	Amount
As at 1 April, 2023	**15,00,000**	**1,500.00**
Add: Shares issued during the year	-	-
As at 31 March, 2024	**15,00,000**	**1,500.00**
Add: Shares issued during the year	-	-
As at 31 March, 2025	**15,00,000**	**1,500.00**

(iii) 11,10,000 (Previous year-11,10,000) Equity Shares of Rs.100/- each are fully paid up, are held by the Holding Company, HFCL Limited

(iv) Shareholders holding more than 5 percent of Equity Shares

Name of Shareholder	As at March 31, 2025	As at March 31, 2024
	No. of share held	No. of share held
HFCL Limited	11,09,997	11,09,997
% of Holding	*74.00%*	*74.00%*
Manoj Baid*	1	1
Baburaj Eradath*	1	1
Tarun Kalra*	1	1
Govt. of India represented by President of India	3,89,996	3,89,996
% of Holding	*26.00%*	*26.00%*
Shri Shambhu Kumar Mahto, DDG (PHP), DoT	2	2
Shri R.M Agarwal, DDG (SU), DoT	1	1
Shri Rajeev Kumar Srivastava, Director (TPF), DoT	1	1

(v) Shareholding of Promoters

Shares held by promoters at the end of the year				% of change during the year
S.No.	Promoter Name	No. of Shares	% of Total Shares	
1	HFCL Limited	11,09,997	74.00%	0%
2	Manoj Baid*	1		
3	Baburaj Eradath*	1		
4	Tarun Kalra*	1		

* The Beneficial Interest is held by HFCL Limited, Holding Company

(vi) Terms and Rights attached to Equity Shares

The Company has issued equity shares of Rs 100/- each. Upon show of hands every member present shall have one vote and upon a poll every member present in person or by proxy or by duly authorised representative shall have one vote for every shares held by him. In the event of liquidation of the Company, the equity shareholders will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts as per Statute in proportion to their shareholdings.

(b) Other Equity

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Capital Reserve	0.00	0.00
(ii) Retained Earnings	14,299.55	15,811.51
(iii) Other Comprehensive Income -Remeasurement of Defined Benefit Plans	(140.89)	(151.90)
(iv) Share based payment to employees *	24.64	24.64
Total	**14,183.30**	**15,684.25**

*Share based Payment related to ESOPs and RSU's granted by the holding company to the employees of HTL

(i) Capital Reserve *

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	0.00	0.00
Increase during the year	-	-
Decrease during the year	-	-
Closing Balance	**0.00**	**0.00**

* Capital Reserve of Re. 1/- represents amount paid for land acquired free of cost from Tamilnadu State Government

(ii) Retained Earnings

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	15,811.51	12,954.65
Add: Net profit / (loss) for the year	(1,511.96)	2,856.86
Add: Transferred from Share based payment reserve	-	-
Closing Balance	**14,299.55**	**15,811.51**

(iii) Other Comprehensive Income -Remeasurement of Defined Benefit Plans

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	(151.90)	(142.46)
Increase during the year	11.01	-
Decrease during the year	-	(9.44)
Closing Balance	**(140.89)**	**(151.90)**

(iv) Share based payment to Employees

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	24.64	24.64
Increase during the year	-	-
Decrease during the year	-	-
Closing Balance	**24.64**	**24.64**

HTL Limited
(All amounts are in Rs Lakhs.)
Notes forming part of the Financials Statements for the year ended March 31, 2025

20 Non-Current Financial Liabilities - Borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
Term Loans*		
- from Banks	947.25	3,297.90
- from NBFC	7,644.02	3,117.27
Less : Current Maturities of Long Term borrowings - Bank	(775.94)	(2,321.73)
Less : Current Maturities of Long Term borrowings - NBFC	(1,679.42)	(688.08)
	6,135.91	3,405.36
Unsecured		
Loan from related party	2,450.00	2,450.00
Total	**8,585.91**	**5,855.36**

* Net off of Rs. 58.85 Lakhs (Previous year Rs. 42.2 Lakhs) as finance charges

20.1 Repayment Schedule for Term Loan from Bank and NBFC as on 31.03.2025

Period of due for repayment	Term Loan Bank	Term Loan NBFC	Unsecured Loan
Outstanding amount	947.25	7,644.02	2,450.00
Repayment Due			
2025-26	775.94	1,679.42	-
2026-27	171.31	1,683.90	-
2027-28	-	1,688.94	612.50
2028-29	-	1,344.60	816.67
2029-30	-	997.56	816.67
2030-31	-	249.82	204.17
	947.25	**7,644.24**	**2,450.00**

20.2 Term Loan of Rs. 947.25 Lakhs (PY Rs. 3297.90 Lakhs) from banks are secured by pari- passu charge basis on
1.) All Moveable Property Plant and Equipment (both present and future)
2.) Registered Mortgage of 2.56 acres Industrial land parcel in Guindy, Chennai
3.) All current assets and Cash Flows (both present & future)
4.) Corporate Guarantee of HFCL Limited (Holding Company) & M/s MN Ventures Private Limited
5.) Personal Guarantee of the Chairman of the Company
6.) Agreement to Pledge of 23.90% shareholding of HTL Limited by HFCL Limited
20.3 Term Loan of Rs. 7644.02 Lakhs (PY Rs. 3117.27 lakhs) from NBFC is secured by pari- passu charge basis on :
1.) All Immoveable Assets of Plant at Hosur, Tamil Nadu
2.) Corporate Guarantee of HFCL Limited (Holding Company) & M/s MN Ventures Private Limited
3.) Personal Guarantee of the Chairman of the Company
20.4 For terms of repayment of loan from related party, refer note 45

21 Non-Current Financial Liabilities - Other Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Advance from related parties	-	7,200.00
Total	-	**7,200.00**

22 Non-Current Liabilities - Provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Provisions for Employee Benefits (Refer note 38)		
a) Provisions for Gratuity	175.81	178.74
b) Provision for Leave Encashment	93.49	90.55
Total	**269.30**	**269.29**

23 Current Financial Liabilities - Borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Borrowings - Loans repayable on demands		
Secured		
(i) from Banks-Working Capital	8,083.01	5,265.46
(ii) Current Maturities of Long term Borrowings	2,455.36	3,009.80
Unsecured		
(i) from banks – bill discounting	7,149.15	3,639.00
(ii) from other parties	-	400.00
Total	**17,687.52**	**12,314.26**

23.1 Working Capital Loan of Rs 8,083.01 Lakhs (previous year Rs 5,265.46 Lakhs) from Bank is secured against the following on pari-passu charge basis:
1.) All Moveable Property Plant and Equipment (both present and future)
2.) Registered Mortgage of 2.56 acres Industrial land parcel in Guindy, Chennai
3.) All current assets and Cash Flows (both present & future)
4.) Corporate Guarantee of HFCL Limited (Holding Company) & M/s MN Ventures Private Limited
5.) Personal Guarantee of the Chairman of the Company
6.) Agreement to Pledge of 23.90% shareholding of HTL Limited by HFCL Limited
23.2 Unsecured vendor bills discounting is repayable on due dates as agreed with the lenders
23.3 Unsecured Customer bills discounting is repayable on due dates by the customer
23.4 Quarterly Returns/Statements of Current Asset filed by the company with Banks are generally in aggreement with the books of account
23.5 Unsecured Borrowings from other parties having maturity of less than one year

(All amounts are in Rs Lakhs.)

24 Current Financial Liabilities - Trade Payables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Payables - Undisputed		
Due to Micro and Small Enterprises (Refer note no. 48)	1,259.18	547.45
Others	14,026.69	9,846.72
Total	15,285.87	10,394.17

24.1 Ageing details of Trade payables:

Particulars	Not Due	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2025						
(i) MSME	1,049.09	172.91	24.67	12.51	-	**1,259.18**
(ii) Others	6,842.68	7,115.63	42.82	20.19	5.38	**14,026.69**
Total	7,891.77	7,288.54	67.49	32.70	5.38	15,285.87
As at March 31, 2024						
(i) MSME	424.89	102.86	12.77	-	6.92	**547.45**
(ii) Others	9,230.32	561.05	31.45	6.65	17.24	**9,846.72**
Total	9,655.21	663.91	44.22	6.65	24.17	10,394.16

24.2. There are no Disputed MSME or Disputed others trade payable balances as on 31st Mar 2025 and 31st March 2024

25 Current Financial Liabilities - Other Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Other Financial Liabilities		
a) Interest accrued		
-Interest on Term loans	8.70	18.62
-Interest on Working Capital Loan	23.49	-
b) Creditors for Capital goods	394.03	92.52
c) Expenses Payable	441.34	756.63
d) Security Deposit	143.20	-
e) Other Employees Related liabilities	325.00	366.69
Total	1,335.76	1,234.46

26 Other Current Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Advances from Customers,	392.34	1,655.69
Statutory Liabilities payable	99.01	121.89
Other liabilities	47.82	-
Total	539.17	1,777.58

27 Current Liabilities - Provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Provisions for Employee Benefits (Refer note 38)		
Provisions for Gratuity	24.24	6.88
Provisions for Leave Encashment	31.78	22.30
Total	56.02	29.18

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HTL Limited
(All amounts are in Rs Lakhs.)
Notes forming part of the Financials Statements for the year ended March 31, 2025

28 Revenue from operations

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Sale and Services		
-Manufacturing and trading activities	57,261.22	84,125.53
Other Operating Revenues		
-Scrap Sale	143.08	230.89
-Export Incentives	55.23	72.13
Total	57,459.53	84,428.55

29 Other Income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Other non-operating income		
Interest Income	87.01	156.17
Rent Received	262.85	128.60
Miscellaneous Income	136.88	147.54
Total	486.74	432.31

30 Cost of Material Consumed

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening Balance	7,985.45	9,535.10
Add : Purchases during the year	40,952.29	57,723.06
	48,937.74	67,258.16
Less: Closing Stock	7,652.76	7,985.45
	41,284.98	59,272.71

31 Other Direct Cost

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Consumption of stores and spares parts	627.71	1,160.02
Loose Tools written off	134.82	93.11
Total	762.53	1,253.13

32 Change in inventories of finished goods, work-in progress and stock-in trade-goods

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Closing Stock		
Finished Goods	2,510.48	1,786.61
Stock in Trade- Goods	519.62	152.15
Works in progress	1,228.89	1,800.92
	4,258.99	3,739.68
Opening Stock		
Finished Goods	1,786.61	2,696.71
Stock in Trade- Goods	152.15	136.81
Works in progress	1,800.92	2,962.47
	3,739.68	5,795.99
Net Changes (Opening -Closing)	(519.31)	2,056.31

HTL Limited
(All amounts are in Rs Lakhs.)
Notes forming part of the Financials Statements for the year ended March 31, 2025

33 Employee benefits expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, bonus and allowances	6,505.62	6,218.17
Contribution to Provident and other funds	193.37	196.12
Staff welfare expenses	86.88	75.31
Total	**6,785.87**	**6,489.60**

34 Finance costs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Bank Loan Interest	1,780.76	1,222.49
Interest on other loans	531.16	1,066.92
Other Interest	708.81	593.48
Bank Charges and loan processing charges	549.12	390.31
Total	**3,569.85**	**3,273.20**

35 Other expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Rates and Taxes	177.47	100.55
Auditors' Remuneration		
Audit Fee	18.00	15.00
Tax Audit Fee	5.00	4.00
Other Services	4.70	3.55
Out of pocket expenses	0.37	0.32
Legal and Professional Charges	196.23	433.21
Loss on Sale of Property, Plant and Equipment	11.46	8.60
Communication Expenses	8.77	45.72
Travelling and Conveyance Expenses	219.45	206.08
Power and Fuel & Water Charges	1,436.97	1,839.45
Repairs and Maintenance	258.90	151.85
Insurance Expenses	206.92	216.27
Selling and Distribution Expenses	1,911.50	1,670.17
Office and General Expenses	191.50	224.80
Bad debts and other balances written off (net)	37.17	9.12
Provision for Expected credit losses	7.63	-
Liquidated damages on Sales	20.63	-
Directors Sitting Fees	7.35	9.43
Exchange Fluctuation Loss (Net)	60.68	44.37
Corporate Social Responsibiltiy (Refer Note 47)	132.59	134.79
Miscellaneous Expenditure	119.96	220.64
Total	**5,033.25**	**5,337.91**

36 Earning per Share (EPS)- In accordance with the Indian Accounting Standard (Ind AS-33)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Basic & Diluted Earnings per share	Rs.	Rs.
Profit & Loss for the year	(1,511.96)	2,856.86
Profit attributable to Equity Shareholders (A)	**(1,511.96)**	**2,856.86**
Weighted average number of ordinary Equity shares (B) (used as denominator for calculating basic EPS)	15,00,000	15,00,000
Weighted average number of ordinary Equity shares (C) (used as denominator for calculating diluted EPS)	15,00,000	15,00,000
Nominal value of ordinary Equity share (Rs)	100.00	100.00
Earnings per share-Basic (A/B) (Rs)	**(100.80)**	**190.46**
Earnings per share-Diluted (A/C) (Rs)	**(100.80)**	**190.46**

HTL Limited
(All amounts are in Rs Lakhs)
Notes forming part of the Financials Statements for the year ended March 31, 2025

37 Critical accounting estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgements are:
1. Estimation of useful life of Property, Plant and Equipment Note 4
2. Estimation of useful life of intangible asset Note 6
3. Estimation of **Defined benefit obligation Note 38**
4. Estimation of contingent liabilities refer Note 39
5. Estimation of fair value of unlisted securities Note 42

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

38 During the year, the company has recognised the following amounts in the financial statements as per Ind AS - 19 "Employees Benefits" as specified in the Companies (Indian Accounting Standards) Rules, 2015

a) Defined Contribution Plan
Contribution to Defined Contribution Plan, recognised are charged to Statement of Profit and Loss for the year as under

Particulars	31-Mar-25	31-Mar-24
Employer's Contribution to Provident Fund	190.27	181.47

b) Defined Benefit Plan
The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation and the obligation for leave encashment is recognised in the same manner as gratuity.

		Gratuity		Leave Encashment	
A	**Expenses recognised in Statement of Profit and Loss :**	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	Current service Cost	34.27	36.99	58.36	42.87
	Past service cost	-	-	-	-
	Curtailment & Settlement Cost/(Credit)	-	-	-	-
	Interest Expense	12.35	10.68	6.69	5.10
	Defined Benefit Cost included in P&L	**46.63**	**47.67**	**65.05**	**47.97**

B	**Other Comprehensive Income**	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	Actuarial (Gain) / Losses due to Demographic Assumption changes in DBO	2.01	-	1.95	-
	Actuarial (Gain) / Losses due to Financial Assumption changes in DBO	5.11	3.40	3.17	2.09
	Actuarial (Gain)/ Losses due to Experience on DBO	(9.81)	(1.52)	(17.14)	8.65
	Total Actuarial (gain)/loss included in OCI	**(2.69)**	**1.88**	**(12.02)**	**10.74**
	Total cost recognised in P&L and OCI				
	Cost Recognised in P&L	46.63	47.67	65.05	47.97
	Remeasurement Effect Recognised in OCI	(2.69)	1.88	(12.02)	10.73
	Total Defined Benefit Cost	**43.94**	**49.55**	**53.03**	**58.70**

C	**Net Asset/(Liability) Recognised in Balance Sheet**	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	Present value of Funded Obligation	-	-	-	-
	Fair Value of Plan Assets	-	-	-	-
	Present value of Unfunded obligation	200.05	185.62	125.27	112.85
	Funded status [Surplus/(Deficit)]	(200.05)	(185.62)	(125.27)	(112.85)
	Present value of Encashment Obligation	-	-	-	-
	Present value of Availment Obligation	-	-	-	-
	Revised Sch. III of Companies Act, 2013		-		-
	Current Liability	24.24	6.88	31.78	22.50
	Non-Current Liability	175.81	178.74	93.49	90.35

D	**Changes in Present Value of Obligations**	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	Present Value of Defined Benefits Obligation at Beginning	185.62	152.63	112.85	83.71
	Current Service Cost	34.27	36.99	58.36	42.87
	Interest Cost	12.35	10.68	6.69	5.10
	Curtailment & Settlement Cost/(Credit)	-	-	-	-
	Actuarial (Gain)/ Loss	(2.69)	1.88	(12.02)	10.73
	Benefits Paid	(29.30)	(16.57)	(40.61)	(29.56)
	Present Value Of Defined Benefits Obligation at the end	**200.05**	**185.62**	**125.27**	**112.85**

E	**Changes in Fair Value of Plan Assets**	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	Fair Value of Plan Assets at the beginning	-	-	-	-
	Expected Return on Assets	-	-	-	-
	Employer Contribution	-	-	-	-
	Employer direct benefit payments	29.30	16.57	40.61	29.56
	Plan Participants Contributions	-	-	-	-
	Settlements By Fund Manager	-	-	-	-
	Benefits Payouts	(29.30)	(16.57)	(40.61)	(29.56)
	Actuarial gain /(Loss)	-	-	-	-
	Fair Value of Plan assets at the end	-	-	-	-

F	**Sensitivity analysis of the defined benefit obligation**	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	Impact of the change in Discount Rate				
	Present Value of Obligation at the end	200.05	185.62	125.27	112.85
	Impact due to increase of 1%	(11.91)	(15.87)	(7.51)	(9.36)
	Impact due to decrease of 1%	19.61	18.70	8.60	11.15
	Impact of the change in salary increase				
	Present Value of Obligation at the end	200.05	185.62	125.27	112.85
	Impact due to increase of 1%	13.34	19.16	8.15	11.12
	Impact due to decrease of 1%	(11.86)	(16.79)	(7.23)	(8.47)

Sensitivities due to mortality & withdrawals are insignificant & hence ignored.

G	**Maturity profile of defined benefit obligation**	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	Projected Benefit Obligation at end	200.05	185.62	125.27	112.85
	PAY OUTS				
	March 2025 to March 2026	23.13	6.88	15.00	6.08
	March 2026 to March 2027	8.94	11.92	5.39	3.52
	March 2027 to March 2028	10.42	4.21	11.58	2.38
	March 2028 to March 2029	9.53	13.61	5.29	6.79
	March 2029 to March 2030	15.43	6.57	10.48	2.38
	March 2030 to March 2035	47.92	51.27	22.70	26.24
	March 2035 onwards	70.83	92.69	52.83	61.85

H	**Actuarial Assumptions**	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
	Discount Rate	6.80%	7.21%	6.86%	7.23%
	Expected Return on Assets	0.00%	0.00%	0.00%	0.00%
	Salary Escalation	4%FSY & 4%TA	6%FSY & 4%TA	6%FSY & 4%TA	6%FSY & 4%TA
	Attrition rate	5.00%	1.00%	5.00%	1.00%
	Mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

Note: The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the Actuarial Valuer.

HTL Limited
(All amounts are in Rs Lakhs)
Notes forming part of the Financials Statements for the year ended March 31, 2025

39 Commitments and Contingencies

(a) Contingent Liabilities not provided for in respect of :

	As at 31.Mar.25	As at 31.Mar.24
(i) Unsecured Letters of Credit	1,667.97	1,632.85
(ii) Guarantees given by banks on behalf of the Company	2,933.98	2,602.94
(iii) Claims against the Company towards income tax and GST in dispute not acknowledged as debt (Deposited under protest CY - Rs 33.36 Lakhs (PY - Rs 33.36 Lakhs))	332.43	3,064.79

Notes:

(a) The Company's pending litigation comprise of claims against the Company and proceedings pending with Tax Authorities. The Company has reviewed all its pending litigations and proceedings and has made adequate provisions wherever required and disclosed the contingent liabilities wherever applicable in its financial statements. The Company does not expect the outcome of these proceedings to have a material impact on its financial position.

(b) The Company periodically reviews all its long term contracts to assess for any material foreseeable losses. Based on such review wherever applicable, the Company has made adequate provisions for these long term contracts in the books of account as required under any applicable law/accounting standard.

(c) The company does not have any outstanding derivative contract as on 31st March 2025 and 31st March 2024.

(d) There are no amount which are required to be transferred to the Investor Education and protection fund by the company.

(e) The Parliament of India has approved the Code on Social Security, 2020 (the Code) which may impact the contributions by the Company towards provident fund, gratuity and ESI. The Code has been published in the Gazette of India. However, the effective date has not yet been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

(b) Commitments and Other Obligations	As at 31.Mar.25	As at 31.Mar.24
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	152.98	3,481.53
ii) Uncalled capital commitment pertaining to investments	-	411.00
iii) Custom Duty against import under EPCG scheme	1,747.31	1,661.70

40 Segment Reporting

a) Primary Segment Information (by Business Segments)

The Company is primarily engaged in the business of manufacture of optical fibre cables and other telecom related products. Operating segments are reported in the manner consistent with internal reporting to management of the company. The company has regular review procedure in place for operations of the company as a whole. Hence there are no reportable segments as per Ind AS 108 Operating segment.

b) Secondary Segment Reporting (by Geographical Segments)

The Company caters mainly to the needs of the domestic market and the export turnover being 6.52% (Previous year 10.80%) of the total turnover of the Company.

i) Revenue as per Geographical Area (Ind AS108, Para 33(a))

Particulars	Year Ending 31st Mar. 25	Year Ending 31st Mar. 24
With in India	53,713.40	75,312.43
Outside India	3,746.13	9,116.12
Total	57,459.52	84,428.55

ii) Revenue of approximately 64% (Previous year 70%) are derived from two external customers which individually accounted for more than 10%.
iii) None of the non-current assets are located outside India.

41 As required by Ind AS - 24 "Related Party Disclosures"

(i) Name and description of related parties

Relationship	Name of Related Party
(a) Holding Company	HFCL Limited
(b) Fellow Subsidiary	Moneta Finance Private Limited HFCL Advance Systems Private Limited Polixel Security Systems Private Limited Dragonwave HFCL India Private Limited Raddef Private Limited HFCL Technologies Private Limited HFCL B.V. - Netherlands HFCL Inc. - United States of America
(c) Step-down Fellow Subsidiary	HFCL Canada Inc. HFCL UK Limited HFCL Poland Sp. z o.o. (w.e.f. May 17,2024) HFCL Pty Limited (w.e.f. October 28,2024)
(d) Enterprise owned or significantly influenced by holding company's KMP or their relatives	Exicom Tele-systems Ltd Exicom Energy Systems Private Limited Exicom Power Systems Private Limited
(e) Enterprises owned or significantly influenced by key management personnel or their relatives	Nimpa Telecommunications Private Limited
(f) Key management personnel	Mr. G S Naidu, CEO & Manager Mr. C D Ponnappa Chief Financial Officer Mr. S Narayanan, Company Secretary

Note: Related party relationship is as identified by the Company and relied upon by the auditors.

(ii) Nature of transactions - The transactions entered into with the related parties during the year along with related balances are as under:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Purchases/receiving of Goods & Services		
HFCL Limited	8,633.75	14,597.40
Exicom Tele-systems Ltd	-	0.18
Nimpa Telecommunications Private Limited	13.54	216.21
Exicom Energy Systems Pvt. Ltd	8.05	10.82
Sales/rendering of Goods & Services		
HFCL Limited	21,908.20	29,810.28
Exicom Tele-systems Ltd	332.89	552.11
Nimpa Telecommunications Private Limited	15.91	22.69
Exicom Energy Systems Pvt. Ltd	20.61	75.54
HFCL B.V	-	172.55
HFCL Inc.	554.59	1,009.11
HFCL Canada Inc.	80.56	-
HFCL Technologies Private Ltd	48.14	12.94
Expenses - Other expenses		
HFCL Limited	625.00	481.42
Nimpa Telecommunications Private Limited	725.67	908.24
Repayment of Advances during the year		
HFCL Limited	7,300.00	-
Expenses - Interest on Loans and Advances		
HFCL Limited	404.78	615.00
Receipt of Security Deposit (Rent) during the year		
HFCL Limited	71.20	-
Closing Balances of Receivables		
HFCL Limited	14,347.80	12,928.99
Nimpa Telecommunications Private Limited	18.70	-
Exicom Tele-systems Ltd	23.73	19.99
Exicom Energy Systems Pvt. Ltd	40.95	4.11
HFCL B.V	172.55	172.55
HFCL Inc.	1,286.00	1,003.11
HFCL Canada Inc.	80.56	-
HFCL Technologies Private Ltd	90.63	38.87
Closing Balances of Payable		
HFCL Limited	6,908.02	903.87
Nimpa Telecommunications Private Limited	79.77	119.52
Exicom Energy Systems Pvt. Ltd	1.12	8.15
Exicom Tele-systems Ltd	-	0.21
Closing Balances of Loan		
HFCL Limited	2,450.00	2,450.00
Closing Balances of Advance		
HFCL Limited	-	7,300.00
Closing Balances of Security deposit		
HFCL Limited	71.20	-

HTL Limited
(All amounts are in Rs Lakhs)
Notes forming part of the Financials Statements for the year ended March 31, 2025

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Remuneration of Key Management Personnel's		
(a) Short term employee benefits		
Mr G S Naidu, COO & Manager	98.65	188.94
Mr C D Ponnappa Chief Financial Officer	79.18	55.27
Mr S Narayanan, Company Secretary	37.80	29.00
(b) Post employment benefits*		
Mr G S Naidu, COO & Manager	-	-
Mr C D Ponnappa Chief Financial Officer	-	-
Mr S Narayanan, Company Secretary	-	-
(c) Other long term benefits #	-	
(d) Remuneration Payable		
Mr G S Naidu, COO & Manager	26.31	25.09
Mr C D Ponnappa Chief Financial Officer	18.42	16.86
Mr S Narayanan, Company Secretary	4.19	2.58

* Note: As the liabilities for defined benefit plans are provided on actuarial basis for the Company as a whole, the amount pertaining to key management personnel are not included
# Note: Value of Employees stock options/ restricted stock units issued by HFCL to HTL employees considered herein

Major Terms and Conditions of transactions with related parties:
i) Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions
ii) The remuneration to Key Managerial Personnel are in line with the HR policies of the company
iii) Outstanding balances of related Parties at the year-end are unsecured

42 **Financial Instruments by Category**

Particulars	Mar-25			Mar-24		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
1) Financial Assets						
I) Investments						
Equity shares						
(i) Amplus BIU Private Limited	-	409.15	-	-	-	-
(ii) NSL Wind Power Company (Phoolwadi) Private Limited	-	11.30	-	-	18.60	-
II) Trade Receivables	-	-	24,676.15	-	-	23,907.99
III) Bank Deposits	-	-	164.79	-	-	577.18
IV) Cash and Cash Equivalents	-	-	26.90	-	-	5.28
V) Other Bank balances	-	-	1,816.36	-	-	1,413.97
VI) Other Financial Assets	-	-	499.80	-	-	406.18
Total Financial Assets	-	420.45	27,183.49	-	18.60	26,310.60
2) Financial Liabilities						
I) Borrowings						
A) From Banks/NBFC	-	-	23,823.43	-	-	15,319.62
B) From Others	-	-	2,450.00	-	-	2,850.00
II) Trade Payables	-	-	15,285.87	-	-	10,394.17
III) Other Financial Liabilities	-	-	1,335.76	-	-	8,434.46
Total Financial Liabilities	-	-	42,895.07	-	-	36,998.25

Fair Value measurement
Fair Value Hierarchy and valuation techniques used to determine fair value

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and are categorised into Level 1, Level 2 and Level 3 inputs

(a) Year Ending March 31, 2025

Financial Assets measured at Fair Value recurring Fair value measurements at 31-03-2025	Note No.	Level 1	Level 2	Level 3
Financial Assets				
Investments				
(i) Amplus BIU Private limited	7			409.15
(ii) NSL Wind Power Company (Phoolwadi) Private Limited	12			11.30
Total Financial Assets		-	-	420.45

(b) Year Ending March 31, 2024

Financial Assets measured at Fair Value recurring Fair value measurements at 31-03-2024	Note No.	Level 1	Level 2	Level 3
Financial Assets				
Investments				
(i) NSL Wind Power Company (Phoolwadi) Private Limited	12	-	-	18.60
Total Financial Assets		-	-	18.60

Significant estimates
The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period

43 **Financial Risk Management**
The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include cash and cash equivalents, trade and other receivables that derive directly from its operations

The Company's business activities expose it to a variety of financial risks namely liquidity risk, market risk and credit risk. The Company's senior management has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities

Liquidity Risk
Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the Balance Sheet date

Particulars	Notes No.	Carrying amount	Less than 12 months	More than 12 months	Total
As at March 31, 2025					
Borrowings	20 & 23	26,273.43	17,687.53	8,585.91	26,273.44
Trade Payables	24	15,285.87	15,285.87	-	15,285.87
Other liabilities	21 & 25	1,335.76	1,335.76	-	1,335.76
As at March 31, 2024					
Borrowings	20 & 23	18,169.62	12,314.26	5,855.36	18,169.62
Trade Payables	24	10,394.17	10,394.17	-	10,394.17
Other liabilities	21 & 25	8,434.46	1,234.46	7,200.00	8,434.46

Market Risk
Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, FVTOCI investments

The sensitivity analyses in the following sections relate to the position as at 31 March 2025 and 31 March 2024.

POTENTIAL IMPACT OF RISK	MANAGEMENT POLICY	SENSITIVITY TO RISK
1. PRICE RISK		
The company is mainly exposed to the price risk due to its investment in equity instruments. The price risk arises due to uncertainties about the future market values of these investments. Equity Price Risk is related to the change in market reference price of the investments in equity securities. The fair value of the company's investments in valued through other comprehensive income which exposes to equity price risks. In general, these securities are not held for trading purposes.	In order to manage its price risk arising from investments, the Company diversifies its portfolio in accordance with the limits set by the risk management policies.	As an estimation of the approximate impact of price risk investments in equity instruments, the Company has calculated the impact as follows: For equity instruments, a 10% increase in prices would have led to approximately an additional gain of Rs 42.04 Lakhs for year ending March 2025 (Rs 1.30 Lakhs for year ending March 2024) in other comprehensive income. A 10% decrease in prices would have led to an equal but opposite effect.
2. INTEREST RATE RISK		
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.	In order to manage its interest rate risk, The Company diversifies its portfolio in accordance with the risk management policies.	As an estimation of the approximate impact of the interest rate risk, with respect to financial instruments, the Company has calculated the impact of a 0.25% change in interest rates. A 0.25% increase in interest rates would have led to approximately an additional Rs. 47.17 Lakhs loss for year ended March 31st, 2025 (Rs 36.33 Lakhs loss for year ended March 31st 2024). A 0.25% decrease in interest rates would have led to an equal but opposite effect.

Credit Risk
Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

Trade Receivables
Customer credit risk is managed by each business unit subject to the Company established policy, procedures and control relating to customer credit risk management. To manage trade receivable, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and ageing of such receivables.
The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 14. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables to be reasonably low as most of the customers are Government and large Corporate organisations though there may be normal delays in collections.

Financial instruments and cash deposits
Credit risk from balances with banks and financial institutions is managed by the management in accordance with the Company's policy. Counterparty credit limits are reviewed by the management on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.
None of the Company's financial assets are either impaired or past due, and there were no indications that defaults in payment obligations would occur.

Capital management
Capital includes issued equity capital and share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value. The following table provides detail of the debt and equity at the end of the reporting period.

Particulars	31-Mar-25	31-Mar-24
Debt (Note 20 & 23)	26,273.43	18,169.62
Less: Cash and Cash equivalents (Note 11)	(26.39)	(5.23)
Net Debt	**26,247.04**	**18,164.34**
Total Equity	15,683.36	17,134.23
Net Debt to Equity Ratio	**1.67**	**1.06**

44 The Government of Tamil Nadu have executed a Deed of Indenture dated 30.09.1970 in favour of the Company for total land measuring 35.89 acres possessed by it since 1968 as Assignee in the Guindy Industrial Estate and registered the same vide Document No. 22 of 1972 at Sub-Registrar Office, Alandur. As agreed by Government of India on the proposal of Government of Tamil Nadu for surrender of the vacant land measuring 4.99 acres by the Company during the process of disinvestment of shares in the Company in 2001, the Company had surrendered the vacant land measuring 4.99 acres to the Small Industries Department, Chennai in 2002 in order to get a clear title for the remaining land of 30.90 acres. In this process, the name of the Company has been entered in the revenue records of the Government of Tamil Nadu for 34.27 acres by issue of pattas, excepting the Approach Road of 0.72 acres. The Company has been continuously following up with Government of Tamil Nadu for obtaining the clear title for 30.90 acres.

In respect of the above said land, a Show Cause Notice (SCN) was issued on 08th June, 2020, by Office of the Revenue Divisional Officer, Guindy, Chennai, objecting on the pattas issued in the said assigned land. The Company has filed a Writ Petition against the said SCN and an interim stay was granted by Hon'ble Madras High Court on 19th June, 2020. The last hearing was fixed on 20th August, 2021 but not listed. It is yet to be listed by the Hon'ble Madras High Court for next hearing.

45 The loan received from the related party, M/s. HFCL Ltd., shall be repaid by the Company in 12 equal quarterly installments, commencing from the quarter ending September 2027.

46 **Share Based Payment**
a) ESOP Plan
On October 15, 2018, Holding Company HFCL Limited approved the Employee Stock Option Plan (HFCL Plan 2017) for the grant of stock options to the employees of HFCL and its subsidiaries. The Company recognises the cost towards the options granted to the employee of the company by holding company through equity settled method. The Nomination, Remuneration and Compensation Committee of HFCL administers the plan through a trust established specially for this purpose.

In October 2018, the HFCL approved the grant to the employee of the Company under the HFCL plan 2017. The options under this grant vest to the employees as 40%, 30% and 30% of the total grant at the end of first, second and third year from the date of grant respectively, with an exercise period ending 5 year from the end of last vesting. The conditions for number of options granted include service terms and performance grade of the employees. These options are exercisable at a prevailing fair market value at per share, i.e., the closing market price of the share of HFCL as on the National Stock Exchange of India immediately prior to the date of grant.

Particulars	March 31, 2025		March 31, 2024	
	No. of Options	Weighted Average Exercise price (Rs.)	No. of Options	Weighted Average Exercise price (Rs.)
Outstanding at the beginning of the year	1,04,800	20.65	1,04,800	20.65
Granted During the year	-	-		
Forfeited during the year	-	-		
Exercise during the year	-	-		
Expired during the year	-	-		
Outstanding at the end of the year	1,04,800	20.65	1,04,800	20.65
Exercisable at the end of the year				
Exercise prices for outstanding options at the end of year	-	-	-	-

47 **Corporate Social Responsibility Expenses:**

Particulars	March 31, 2025	March 31, 2024
Amount required to be spent by the company for the year	Rs. 132.39 Lakhs	Rs. 134.79 Lakhs
Amount of expenditure incurred	Rs. 50.84 Lakhs	Rs. 37.29 Lakhs
Shortfall at the end of the year	Rs. 81.75 Lakhs	Rs. 97.50 Lakhs
Total of previous years shortfall	Rs. 55.14 Lakhs	Rs. 81.08 Lakhs
Reason for shortfall	Pertains to ongoing CSR project	Pertains to ongoing CSR project
Nature of CSR activities	Preventive health care facilities, Inclusive Education for Children with Special Needs and Promoting Education thru Modern Teaching Aids	Preventive health care facilities and Inclusive Education to needy people
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant accounting standard	Nil	Nil
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	Opening Provision - Rs. 178.67 Lakhs (+) Provision made - Rs. 81.75 Lakhs (-) Expenditure incurred - Rs. 123.54 Lakhs Closing Provision - Rs. 136.89 Lakhs	Opening Provision - Rs. 174.47 Lakhs (+) Provision made - Rs. 97.50 Lakhs (-) Expenditure incurred - Rs. 93.30 Lakhs Closing Provision - Rs. 178.67 Lakhs

HTL Limited
(All amounts are in Rs Lakhs.)
Notes forming part of the Financials Statements for the year ended March 31, 2025

52 Tax Reconciliation

Particulars	FY 2024-25	FY 2023-24
Net Profit as per Statement of Profit and Loss (before tax)	**(1,953.10)**	**4,220.99**
Current Tax rate @ 25.17%	**(491.56)**	**1,062.34**
Adjustment		
Depreciation & other adjustment	10.89	39.15
Amount of eligible / ineligible expenditure	540.73	246.67
Interest on Tax Payment	-	38.94
Tax Provision as per Books	**60.06**	**1,387.09**

53 The company has used an accounting software including software operated by third party for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software. Such audit trails are preserved as per the statutory requirement for record retention

54 Figures for the previous year have been regrouped/rearranged wherever necessary to confirm current year's classification / presentation

For Oswal Sunil & Company
Chartered Accountants
Firm Reg. No. 016520N

NISHANT BHANSALI
Partner
M.No.: 532900

New Delhi, 20th May 2025

For and on behalf of the Board

MAHENDRA NAHATA
Chairman
DIN: 00052898

K.C. JANI
Director
DIN: 02535299

S. NARAYANAN
Company Secretary
M.No ACS5772

C D PONNAPPA
Chief Financial Officer
PAN: ACZPP1337Q

Mumbai, 20th May 2025