



Annual Audit Report as per Companies Act, 2013

Financial Year 2024-25

USHA COTTON LIMITED

Champrajpur Road, B/h. Om Weigh Bridge,
Jetpur - 360370

Vaghasia & Lakhani LLP

Chartered Accountants

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Rajkot | Morbi | Junagadh

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Usha Cotton Limited

Report on the Audit of the Financial Statements

We have audited the accompanying financial statements of **Usha Cotton Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025 and the Statement of Profit and Loss and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

Opinion:

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 its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion:

We have 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 audit opinion on the standalone financial statements.

Other Matters:

Company was converted from a sole proprietorship concern into a public limited company. This transition is significant considering the scale of the business, the transfer of assets and liabilities from the erstwhile proprietor, and the consequential impact on the financial statements. The key areas of audit focus included verification of the terms and documentation relating to

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the conversion, assessment of the cut-off date of transfer, and evaluation of compliance with the provisions of the Companies Act, 2013, particularly in relation to issue of equity in lieu of business consideration.

How we addressed the Key Audit Matter

Our audit procedures included, amongst others:

- Obtaining and verifying the conversion documents, including agreements and statutory filings, and evaluating the key terms and conditions.
- Assessing the accounting treatment of the transfer of business from sole proprietorship to the Company in accordance with applicable accounting standards.
- Verifying the cut-off date and testing the transfer of assets, liabilities, income, and expenses to ensure their proper recognition in the financial statements.
- Evaluating the process and documentation relating to compliance with the requirements of the Ministry of Corporate Affairs (MCA), including filings and disclosures connected with the issue of equity to the erstwhile proprietor.
- Assessing the adequacy of disclosures relating to the aforesaid conversion in the financial statements.

Based on the procedures performed, we found the accounting treatment and disclosures made by the management in respect of the conversion of the business to be appropriate.

Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the Financial Statements and our auditor's report thereon.

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

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 statements 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 Company's 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.

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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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality refers to the magnitude of misstatements in the financial statements that, individually or in aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of those financial statements. The assessment of materiality is made in the context of the common information needs of users who are presumed to have a reasonable knowledge of business, economic activities, and accounting, and to be willing to study the financial statements with reasonable diligence.

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In accordance with SA 320, we consider both quantitative and qualitative factors in determining materiality for the financial statements as a whole, as well as for particular classes of transactions, account balances, or disclosures. This materiality assessment is applied:

- i). during audit planning, to determine the nature, timing, and extent of audit procedures; and
- ii). during the evaluation stage, in accordance with SA 450, to assess the impact of any identified misstatements—individually and in aggregate—on the financial statements and whether they require correction.

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:

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. the Balance Sheet, Statement of Profit and Loss and cash flow statement dealt with by this Report are in agreement with the books of account;

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- d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards referred to in section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. on the basis of written representations received from the directors as on March 31, 2025, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.
- f. The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.
- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- i. 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 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 required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("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, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("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 audit procedures which we 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 (iv) and (v) contain any material misstatement.
- v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- vi. Based on our examination, the company, has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility wherein the accounting software did not have the audit trail feature enabled throughout the year.
2. As required by the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure "B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Date : 05.09.2025

Place: Rajkot

For, Vaghasia & Lakhani LLP

Chartered Accountants

FRN: 134575W/W100138



Monika

CA Monika Vaghasia

Partner

MRN. 149637

UDIN : 25149637BMNTSU6620

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Usha Cotton Limited ("the Company") as at March 31, 2025 in conjunction with our audit of the AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control with reference to financial statements 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. 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 with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an

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understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial control with reference to financial statements 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 with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of Management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

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

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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, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to financial statements 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.

Date: 05.09.2025

Place: Rajkot

For, Vaghasia & Lakhani LLP

Chartered Accountants

FRN: 134575W/W100138



A handwritten signature in blue ink, appearing to read 'Monika Vaghasia', written over a horizontal line.

CA Monika Vaghasia

Partner

MRN. 149637

UDIN: 25149637BMNTSU6620

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

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

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

- i)
 - a)
 - i) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
 - ii) The Company has maintained proper records showing full particulars of intangible assets.
 - b) The Company has a program for verification of property, plant and equipment, capital work-in-progress so to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were due for verification during the year and were physically verified by the Management after end of the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the Company) disclosed in the financial statements included in property, plant and equipment, according to the information and explanations given to us and based on the examination of the registered sale deed/transfer deed/conveyance deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date.
 - d) The Company has not revalued any of Property, Plant and Equipment and intangible assets during the year.
 - e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii)
 - a) The inventories except for stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained. No

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discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/written confirmations obtained as applicable, when compared with the books of account. For stocks held with third parties at the year-end, written confirmations have been obtained.

- b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs.5 Crore, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of identified current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.
- iii) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not made investments in, nor provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, provisions of clause 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order are not applicable to the Company.
- iv) According to the information and explanations given to us and on the basis of our examination of the records, in respect of loans, investments, guarantees, and security, the company has not provided any loans, investments, guarantees and security to any director or his/her relative and hence provisions of section 185 and 186 of the Companies Act, 2013 are not applicable.
- v) Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii) According to the information and explanations given to us, in respect of statutory dues:
 - a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

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There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Cess and other material statutory dues in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

b) No dues of Service Tax, Sales Tax and Income Tax are pending as on March 31, 2025.

viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

ix)

a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.

d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(e) is not applicable.

f) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2025. Accordingly, clause 3(ix)(f) is not applicable.

x)

a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

xi)

a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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- b) To the best of our knowledge, no report under Sub-section (12) of Section 143 of the Companies Act, 2013 has been filed in Form ADT 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year and up to the date of this report.
- xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements, etc., as required by the applicable accounting standards.
- xiv)
 - a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 - b) The internal audit is not applicable to the Company during the year.
- xv) According to the information and explanations given to us, the company has entered into non-cash transactions with one of the director during the year, by the acquisition of business as whole including assets directly related liabilities, which in our opinion is covered under the provisions of section 192 of the Act, and for which proper approval has been obtained in a general meeting of the company.
- xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii) There is no change in Auditor hence this clause is not applicable.
- xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any

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guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx) The Corporate Social Responsibility (CSR) is not applicable to the company during the year.
- xxi) The company is not required to prepare Consolidate financial statement hence this clause is not applicable.

Date: 05.09.2025

Place: Rajkot

For, Vaghasia & Lakhani LLP

Chartered Accountants

FRN: 134575W/W100138



A handwritten signature in blue ink, appearing to read 'Monika Vaghasia', written over a horizontal line.

CA Monika Vaghasia

Partner

MRN. 149637

UDIN: 25149637BMNTSU6620

USHA COTTON LIMITED

Balance Sheet as at March 31, 2025

(Amount in Thousands)

Particulars	Note	As at March 31, 2025	As at March 31, 2024
I EQUITY AND LIABILITIES			
1. Shareholders' Funds			
Share Capital	3	5,000.00	-
Reserve & Surplus	4	92,062.74	-
Money received against share warrants		-	-
2. Share Application Money Pending Allotment		-	-
3. Non-Current Liabilities			
Long-Term Borrowings	5	77,937.56	-
Deferred Tax Liabilities (Net)	6	6,166.353	-
Other Long Term Liabilities		-	-
Long Term Provisions		-	-
4. Current Liabilities			
Short-Term Borrowings	7	1,37,958.68	-
Trade Payables	8		
(i) Total outstanding dues of micro ,small & Medium enterprises		21,001.07	-
(ii) Total outstanding dues of creditors other than micro ,small & Medium enterprises		4,07,955.37	-
Other Current Liabilities	9	3,621.75	-
Short-Term Provisions	10	1,663.15	-
Total Equity & Liabilities		7,53,366.67	-
II ASSETS			
1. Non-Current Assets			
Property, Plant & Equipment and Intangible Assets			
(i) Property, Plant and Equipment	11	1,76,489.89	-
(ii) Intangible Assets		-	-
(iii) Capital Work in Progress		-	-
(iv) Intangible Assets Under Development		-	-
Non-Current Investments		-	-
Deferred Tax Assets (net)		-	-
Long Term Loans and Advances		-	-
Other Non-Current Assets	12	11,769.16	-
2. Current Assets			
Current Investments		-	-
Inventories	13	67,834.23	-
Trade Receivables	14	4,72,726.56	-
Cash and Cash Equivalents	15	15,915.90	-
Short Term Loans and Advances	16	7,850.96	-
Other Current Assets	17	779.97	-
Total Assets		7,53,366.67	-

The notes on account form integral part of the financial statements 1 to 33

As Per our report of even date

For, Vaghasia & Lakhani LLP

Chartered Accountants

FRN : 134575W/W100138

CA Monika Vaghasia

Partner

MRN : 149637

Place : Rajkot

Date : 05.09.2025

For and on behalf of Board of Directors

Usha Cotton Limited

Rajesh Malaviya

Director

DIN:08671847

Place : Rajkot

Date : 05.09.2025

Usha Malaviya

Director

DIN:10882621

USHA COTTON LIMITED

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

(Amount in Thousands)

Particulars	Note	Year Ended March 31, 2025	Year Ended March 31, 2024
I Revenue from Operations	18	3,69,322.25	-
II Other Income	19	6,631.39	-
Total Income		3,75,953.64	-
III Expenses			
Cost of Material Consumed	20	3,07,659.95	-
Purchases of Stock in Trade		-	-
Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade	21	(42,419.09)	-
Manufacturing Expenses	22	64,462.87	-
Employee Benefit Expense	23	10,327.29	-
Finance Costs	24	3,771.18	-
Depreciation and Amortization Expense	11	2,156.70	-
Other Expenses	25	8,165.66	-
Total Expenses		3,54,124.55	-
IV Profit/(Loss) before Exceptional and Extraordinary items and tax		21,829.10	-
V Exceptional items		-	-
VI Profit/(Loss) before extraordinary items and tax (iv - v)		21,829.10	-
VII Extraordinary Items		-	-
VIII Profit/(Loss) Before Tax		21,829.10	-
IX Tax Expense:			
Current Tax		-	-
Deferred Tax	5	6,166.35	-
Tax Adjustment of earlier Year		-	-
X Profit/(Loss) from the period from Continuing Operations		15,662.74	-
XI Profit/(loss) from Discontinuing Operations		-	-
XII Tax expense of Discontinuing Operations		-	-
XIII Profit/(loss) from Discontinuing operations (after tax) (xi-xii)		-	-
XIV Profit (Loss) for the period (x + xlii)		15,662.74	-
XV Earning Per Share	26		
Basic(In ₹)		31.33	-
Diluted (in ₹)		31.33	-

The notes on account form integral part of the financial statements 1 to 33
As Per our report of even date

For, Vaghasia & Lakhani LLP
Chartered Accountants
FRN : 134575W/W100138

CA Monika Vaghasia
Partner
MRN : 149637

Place : Rajkot
Date : 05.09.2025



For and on behalf of Board of Directors
Usha Cotton Limited

Rajesh Malaviya
Director
DIN:08671847

Place : Rajkot
Date : 05.09.2025

Usha Malaviya
Director
DIN:10882621

Usha R. Malaviya

USHA COTTON LIMITED

Cash Flow Statement For The Year Ended March 31, 2025

(Amount in Thousands)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
I CASH FLOW FROM OPERATING ACTIVITIES:		
Net Surplus/ (Deficit) after tax	15,662.74	-
Add:		
Depreciation	2,156.70	-
Exchange Rate Difference	-	-
Provision for Tax	-	-
Provision for Deferred Tax	6,166.35	-
Profit/Loss on Sale of Assets	-	-
Write off/Reserves & Surplus Adjustment	-	-
Interest Paid	3,771.18	-
	27,756.97	-
Less: Interest Income	(92.77)	-
	(92.77)	-
Operating cash before working capital changes	27,664.21	-
(Increase)/ Decrease in operating assets :		
Inventories	(67,834.23)	-
Trade Receivables	(4,72,726.56)	-
Short Term Loan and Advances	(7,850.96)	-
Long Term Loans & Advances	-	-
Other Current Asset	(779.97)	-
Other Non-Current Asset	(11,769.16)	-
Increase/ (Decrease) in operating liabilities :		
Trade Payables	4,28,956.44	-
Other Current Liabilities	3,621.75	-
Short Term Provisions	1,663.15	-
	(1,26,719.54)	-
Cash generated from operations	(99,055.33)	-
Less: Tax paid	-	-
Net cash flow from operating activities (I)	(99,055.33)	-
II CASH FLOW FROM INVESTING ACTIVITIES:		
Interest Income	92.77	-
Purchase of Fixed Assets	(1,78,646.59)	-
Subsidy Received	-	-
Sale of Fixed Assets	-	-
Increase in Non Current Investments	-	-
Net cash flow from Investing activities (II)	(1,78,553.83)	-
III CASH FLOW FROM FINANCING ACTIVITIES:		
Increase / (Decrease) in Share Capital	81,400.00	-
Increase / (Decrease) in Capital Reserves	-	-
Increase / (Decrease) in Long Term Borrowings	77,937.56	-
Increase / (Decrease) in Other Long Term Liabilities	-	-
Increase / (Decrease) in Short Term Borrowings	1,37,958.68	-
Interest Paid	(3,771.18)	-
Net cash Flow from Financing activities (III)	2,93,525.06	-
Net increase/(decrease) in cash and cash equivalents: (I+II+III)	15,915.90	-
Opening Cash/cash equivalents	-	-
Closing Cash/cash equivalents	15,915.90	-



USHA COTTON LIMITED

Notes :

- 1 Statement of Cash Flow has been prepared under the indirect method as set out in AS 3 on "Statement of Cash Flows" specified under section 133 of the Companies act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- 2 Reconciliation of Cash and Cash Equivalents as per the Statement of cash flow.

Particulars	As At March 31, 2024	As At March 31, 2023
Balance With Banks		
In Current accounts	10,774.25	-
In Overdraft accounts (debit Balance)	-	-
In Fixed deposits (original maturity of 3 Months of less)	-	-
Cash on hand	5,141.65	-
Cheques, drafts on hands	-	-
Others- Unpaid Dividend Account	-	-
Cash and cash equivalents as at the end of the year (Refer Note 14)	15,915.90	-

- 3 Figures in bracket indicate cash outflow.

The notes on account form integral part of the financial statements 1 to 33
As Per our report of even date

For, Vaghasia & Lakhani LLP

Chartered Accountants
FRN : 134575W/W100138

Monika



CA Monika Vaghasia
Partner
MRN : 149637

Place : Rajkot
Date : 05.09.2025

For and on behalf of Board of Directors Usha Cotton Limited

Rajesh Malaviya

Rajesh Malaviya
Director
DIN:08671847

Place : Rajkot
Date : 05.09.2025

Usha R. Malaviya

Usha Malaviya
Director
DIN:10882621

Usha Cotton Limited

NOTES

forming part of financial statements for the year ended March 31, 2025

Note 1: Company Overview

Usha Cotton Limited ('Usha' or 'the Company') is a public limited company incorporated in India having CIN U14101GJ2024PLC157297 incorporated on 23/12/2024. The principal place of business of company is located at Revenue Survey No.635P1, Plot No.8-12, Chaprajpur, Jetpur, Rajkot, Gujarat, India, 360370. Company is business of Manufacturing, Trading and Job-work of Textile Products.

Note 2: Significant Accounting Policies

I. Basis of Preparation

The financial statements of the company have been prepared in accordance with Accounting Standards (AS) notified under the Companies (Accounting Standards) Rules as amended from time to time and presentation requirements of Division I of Schedule III to the Companies Act, 2013, (AS compliant Schedule III), as applicable to the financial statements.

The financial statements have been prepared under the historical cost basis. Accounting policies have been consistently applied except where a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

II. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

III. Business Acquisition / Conversion of Proprietary Concern

The Company has been incorporated primarily for the purpose of taking over and carrying on the existing textile business of its promoter, which was earlier conducted as a sole proprietorship concern. In line with the object clause of its Memorandum of Association, the business of the proprietorship has been transferred to and vested in the Company as a going concern.

Accordingly, all the assets and liabilities of the erstwhile proprietorship have been recorded in the books of the Company at their existing carrying values, and the business operations of the proprietorship are continued by the Company without any interruption.

This conversion represents a mere change in the form of organization and does not constitute an amalgamation within the meaning of Accounting Standard (AS) 14 - "Accounting for Amalgamations". Therefore, the financial statements of the Company reflect the results of operations of the business from the date of incorporation, together with the assets and liabilities transferred, as per the terms of the arrangement.



IV. Revenue recognition

The Company derives revenues primarily from sale of textile products & textile jobwork. Company earns secondary income as Interest Income and power generation through its windmill facility as follow:

- Sale of Textile Goods – Domestic

Revenue is recognized when significant risks and rewards of ownership are transferred to the buyer, generally on dispatch/delivery of goods in accordance with the terms of sale. Measured at transaction price, net of trade discounts, rebates, and Goods & Service Tax (GST).

- Textile Job Work / Processing Income

Income from job work services is recognized on completion of services and raising of invoice, in accordance with the agreed terms of contract. Value is presented net of GST.

- Other

- Interest income is recognized on accrual basis, i.e., on recognized on a time-proportion basis in accordance with the Company's accounting policy.
- Income from windmill power generation is recognized on Gross basis for the total units supplied to the grid. The same is measured and valued at the applicable tariff rate and presented under other income.

V. Functional & Presentation Currency

These financial statements are presented in Indian Rupees (INR), which is also the functional currency of the Company. All amounts have been rounded off to the nearest ₹ 1,000 (Thousands), unless otherwise stated, in accordance with the requirements of Schedule III to the Companies Act, 2013.

VI. Foreign currencies

Transactions in currencies other than the Company's functional currency (i.e., foreign currencies) are recognized at the exchange rates prevailing on the date of the transaction. Monetary items denominated in foreign currencies, if any, are retranslated at the closing rates prevailing at the end of the reporting period. Exchange differences arising on such retranslation are recognized in the Statement of Profit and Loss.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated. However, During the year the Company did not have any foreign currency exposure in the form of receivables, payables, borrowings, or derivative contracts.

VII. Property, Plant & Equipment

Property, plant and equipment is stated at cost of acquisition or construction, net of accumulated depreciation and accumulated impairment losses, if any. Cost includes financing cost relating to borrowed funds attributable to the construction or acquisition of qualifying tangible assets up to the date the assets are ready for use.



Company does not have any capital commitments in respect of contracts for acquisition of property, plant and equipment as at the reporting date. These are not recognized as liabilities unless the criteria for recognition under the applicable standards are met.

Depreciation on property, plant and equipment has been provided on the Straight Line method basis as per the useful life prescribed in Schedule II to the Companies Act, 2013.

VIII. Intangible assets

Intangible assets are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

The residual values, estimated useful lives and methods of amortization of intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

IX. Inventories

Inventories are valued at the lower of cost and net realizable value, except for By-product & Waste which is valued at net realizable value.

Cost comprises of material costs of purchase including duties and taxes (other than those subsequently recoverable by the Company), and expenditure incurred in normal course for freight inwards and other expenditure directly attributable to acquisition. Work-in-progress and finished goods include appropriate proportion of overheads. Material cost is arrived at on weighted average basis.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

X. Retirement and other employee benefits

➤ Short Term

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services are recognized as an expense as the related service is rendered by employees.

➤ Defined Contribution Plan

Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Payments to defined contribution retirement benefit schemes (such as Provident Fund, Professional Tax) are charged to the statement of profit and loss of the year in which contribution to such schemes becomes due.



➤ **Defined Benefit Plan**

The Company has not created any gratuity fund. Gratuity liability is accounted for on cash basis, i.e., the Company recognizes gratuity expense only when it becomes due and payable on retirement, resignation, or termination of employment.

This accounting treatment is not in accordance with the provisions of Accounting Standard 15 – "Employee Benefits", which requires the Company to determine and account for gratuity liability on an actuarial basis using the projected unit credit method.

Had the Company followed the prescribed method, the gratuity liability and employee benefit expenses would have been higher/lower to the extent of the actuarial valuation, the effect of which is presently unascertained.

The Company is in the process of evaluating its obligations in respect of defined benefit plans and may consider actuarial valuation in subsequent periods.

XI. Borrowing costs

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

XII. Leases

The Company has entered into various operating lease agreements, both short-term and long-term, for premises and facilities used in its operations. Lease rentals payable under such agreements are charged to the Statement of Profit and Loss on a straight-line basis over the lease term, in accordance with Accounting Standard 19 – "Leases". The Company does not have any assets acquired under finance lease arrangements as at the reporting date.

XIII. Taxes on income

Income tax expense represents the sum of the tax currently payable and deferred tax.

a) Current income tax:

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. There is no provision required for current tax as company has some amount brought forward loss as well as unabsorbed depreciation which is being set off against current year profits.



b) Deferred tax:

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

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit and loss (either in other comprehensive income or in equity).

XIV. Impairment of Assets

Company has carried out an assessment of its property, plant and equipment as well as other assets to determine any indication of impairment. Based on this review, the management has concluded that no impairment loss is required to be recognized during the year.

XV. Investments

Company does not hold any current or non-current investments as at the reporting date. Accordingly, no disclosure relating to market value, diminution, or restrictions on realizability of investments is applicable for the year.

XVI. Provisions and Contingent Liabilities and Contingent Assets

A provision is recognized when the company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date and are not discounted to present value.

Contingent Liabilities are not recognized but disclosed in Financial Statements. Contingent Assets are neither recognized nor disclosed in the financial statements.



XVII. Government Grant

During the year, the Company has not received any government grant or subsidy. Accordingly, no amount has been recognized in the Statement of Profit and Loss on this account.

XVIII. Segment reporting

The Company is primarily engaged in the business of textile jobwork and sale of textile products, which constitute a single business segment as per the dominant source of risks and returns. Accordingly, separate segment reporting as required under Accounting Standard (AS) 17 – Segment Reporting is not applicable.

XIX. Extra Ordinary Items

The income or expenses that arise from event or transactions which are clearly distinct from the ordinary activities of the Company and are not recurring in nature are treated as extra ordinary items. The extra ordinary items are disclosed in the statement of profit and loss as a part of net profit or loss for the period in a manner so as the impact of the same on current profit can be perceived. However, during the year there are no such transaction to be classified as extra ordinary.

XX. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

XXI. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand balances with banks in current accounts, and other short-term, highly liquid investments that are readily convertible into known amounts of cash and are subject to insignificant risk of changes in value.

As at the balance sheet date, the cash and cash equivalents include:

Cash on hand – representing physical cash held at various business locations.

Balances with banks – maintained in current accounts for operational purposes.

There are no restrictions on withdrawal or usage of these balances, and they are available for general business operations.



USHA COTTON LIMITED

Notes on Financial Statements as at March 31, 2025

(Amount in Thousands)

Note 3 : Share Capital

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised Share Capital 700,000 Equity Shares of ₹10/- each	7,000.00	-
Total	7,000.00	-
Issued, Subscribed and paid up share capital 500000 Equity Shares of ₹10/- each fully paid up Less: Calls in arrears	5,000.00 -	- -
Total	5,000.00	-

Terms/Right attached to Equity Shares

The Company has single class of equity shares each having par value of Rs.10 per share. Accordingly, all equity shares rank equally with regard to dividends and share in the company's residual assets. The equity shares are entitled to receive dividend declared from time to time.

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period :

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	Amount	No. of Shares	Amount
a) Equity Share Capital				
Equity Shares at the beginning of the Year	-	-	-	-
Add : Equity Shares Issued during the Year	5,00,000	5,000.00	-	-
Equity Shares at the end of the year	5,00,000	5,000.00	-	-

The Details of Equity Shareholders holding more than 5% Shares in the Company:

Name of the Shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	% Held	No. of Shares	% Held
1 Rajeshbhai Parshotam Malaviya	25,000	5.00%	-	-
2 Ushaben Rajeshbhai Malaviya	4,25,000	85.00%	-	-
3 Parth Rajeshbhai Malaviya	44,970	8.99%	-	-

As per the records of the company, including its register of shareholders/members and other declarations received from the shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

The Details of Shares held by promoters

Name of the Promoter	As at March 31, 2025		As at March 31, 2024		% Change during the year
	No. of Shares	% Held	No. of Shares	% Held	
1 Rajeshbhai Parshotam Malaviya	25,000	5.00%	-	-	-
2 Ushaben Rajeshbhai Malaviya	4,25,000	85.00%	-	-	-
3 Darsh Rajeshbhai Malaviya	5,000	1.00%	-	-	-
4 Parth Rajeshbhai Malaviya	44,970	8.99%	-	-	-
5 Paresh Shambhubhai Malaviya	10	0.00%	-	-	-
6 Ashwinkumar Bavchandbhai Malaviya	10	0.00%	-	-	-
7 Nirav Jagdishbhai Malaviya	10	0.00%	-	-	-



USHA COTTON LIMITED

Notes on Financial Statements as at March 31 2025

(Amount in Thousands)

Note 4 : Reserves & Surplus

Particulars	As at March 31, 2025	As at March 31, 2024
(A) Securities Premium:		
Opening Balance	-	-
Add : Addition During the year	76,400.00	-
Less : Withdrawal During the year	-	-
(A)	76,400.00	-
(A) Retained Earnings:		
Surplus (Profit & Loss Account)		
Opening Balance	-	-
Addition during the year	15,662.74	-
Less : Dividend paid during the year	-	-
(B)	15,662.74	-
Total (A+B)	92,062.74	-

Note 5 : Long Term Borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured Loan :		
HDFC Bank Ltd - Windmill Term loan	24,206.94	-
HDFC Bank Ltd - Term loan	9,696.15	-
Unsecured Loan :		
Loans From Non-Banking Financial Institution	2,628.47	-
Loans From Banks	9,778.03	-
Loans & Advances From Related Parties	31,627.97	-
Total	77,937.56	-

Footnotes:

1) Terms of Repayment of Loans

Name of Bank	Nature	ROI	Security
HDFC Bank	Term Loans Windmill Loan	8.75%	1. R S No 635 P 1 To 6 Malaviya Udhogynagar Nrom Way Bridge Champrajpur Road Plot No 1,2,5,11,21,22,23 Jetpur Jetpur 360370.
			2. R S No 634 P 1 To 6 Malaviya Udhogynagar Nrom Way Bridge Champrajpur Road Plot No 3,4,21 (A) (B) (H) Jetpur, Jetpur Gujarat 360370
			3. R S No. 635 Paiki 1, Plot No. 8,9,15,16,17 Opp. Trilok Print Near Madhav Weigh Bridge Near Madhav Weigh Bridge Jetpur 360370
			4. R. S. No. 635 Paiki 1 Champrajpur Road Plot No. 04,6,7,18,19 B/h Om Weigh Bridge Jetpur Gujarat 360370
			5. Plot No. 10,12,20 Bh Aum Weighbridge Malaviya Udhog Nagar Champrajpur Road Jetpur Gujarat 360370
			6. Rs No. 5/1 Paiki Junagadh Road Plot No. 2, Cs No. 7828/4 Opp. Bosamiya College Jetpur Gujarat 360370
			8. Om Decora Cs No 2231/kh/1 Paiki Office No A 1001 And A1002 Nr Silver Heights 9 Square Tenth Floor Rajkot Gujarat 360001
			9. Plot No. 1 Morbi Road, Near Avadh Green Party Plot Rev. Survey No. 208/p-2, Sub Plot No. 1-a, 1-b, 1 c Near Avadh Green Party Plot Rajkot Gujarat 360001
			10. S No. 55/p Amarnagar Road, bhakti, radhe Park Nr Jetpur City Mall Plot No.13, Sheet No.101, City Survey No.8501/6 Near Shreeji School Jetpur Jetpur Gujarat 360370
			11. R S No.635/p Behind Shiv Bio Fuel, Nr Om Weigh Bridge Plot No 11, 13 And 14 Malaviya Udhog Nagar Champrajpur Road Jetpur Jetpur Gujarat 360370



USHA COTTON LIMITED

Notes on Financial Statements as at March 31 2025

Note 6 : Deferred Tax Liability (Net)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax Liability		
Opening Balance	-	-
Add: Recognised in Profit & Loss : Property, Plant and Equipment	6,166.35	-
Total Deferred Tax Liabilities (A)	6,166.35	-
Deferred Tax Asset		
Opening Balance	-	-
Add: Recognised in Profit & Loss : Property, Plant and Equipment	-	-
Total Deferred Tax Assets (B)	-	-
Net Deferred Tax Liabilities (A-B)	6,166.35	-

Note 7 : Short Term Borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Current Maturities of Long Term Borrowings	38,455.32	-
Working Capital Loans from bank (Secured) (Secured Against hypothecation of present & future inventory and book debts of the Company)	99,503.36	-
Total	1,37,958.68	-

Note 8 : Trade Payables

Particulars	As at March 31, 2025	As at March 31, 2024
Due to Micro, Small and Medium Enterprises	21,001.07	-
Due to Related Parties	1,06,483.51	-
Others	3,01,471.86	-
Total	4,28,956.44	-

Trade payables ageing schedule as at March 31,2025

	Outstanding for following periods from the due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	21,001.07	-	-	-	21,001.073
Others	(20,572.12)	-	-	-	(20,572.117)
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-

Trade payables ageing schedule as at March 31,2024

	Outstanding for following periods from the due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MSME	-	-	-	-	-
Others	-	-	-	-	-
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-



USHA COTTON LIMITED

Notes on Financial Statements as at March 31, 2025

(Amount in Thousands)

Note 11 : Property, Plant & Equipment

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at April 01, 2024	Additions during the year	Deductions	As at March 31, 2025	For the year	Deductions	As at March 31, 2025	As at March 31, 2024
Furniture & Fitting	-	2,091.42	-	2,091.42	40.83	-	2,050.60	-
Electrical Installations	-	8,383.91	-	8,383.91	160.47	-	8,223.43	-
Plant & Machinery	-	80,443.39	-	80,443.39	1,030.98	-	79,412.41	-
Windmill Turbine	-	85,017.21	-	85,017.21	754.32	-	84,262.89	-
Solar System Assets	-	3.31	-	3.31	0.03	-	3.28	-
Computer & Software	-	2,571.36	-	2,571.36	166.75	-	2,404.61	-
Motor Vehicle	-	136.00	-	136.00	3.32	-	132.68	-
Total	-	1,78,646.59	-	1,78,646.59	2,156.70	-	2,156.70	1,76,489.89
Previous Year	-	-	-	-	-	-	-	-



USHA COTTON LIMITED

Notes on Financial Statements as at March 31 2025

Note 9 : Other Current Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Government Dues Payable	557.55	-
Salary Payable	2,821.27	-
Advance from Customers	242.92	-
Total	3,621.75	-

Note 10 : Short Term Provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for Audit Fees	90.00	-
Provision for Expenses	1,573.15	-
Total	1,663.15	-

Note 12 : Other Non Current Assets

Particulars	As at March 31, 2025	As at March 31, 2024
Security Deposit	7,859.42	-
Fixed Deposit having maturity of more than 12 months	3,909.74	-
Total	11,769.16	-

Note 13 : Inventories

Particulars	As at March 31, 2025	As at March 31, 2024
Raw Materials	25,415.14	-
Work in Progress	24,496.31	-
Finished Goods	6,496.24	-
By Product/Wastage	11,426.55	-
Total	67,834.23	-

Note 14 : Trade Receivables

Particulars	As at March 31, 2025	As at March 31, 2024
Secured, considered good	-	-
Unsecured, considered good	4,72,726.56	-
Doubtful	-	-
Less : Provisions for doubtful trade receivable	-	-
Total	4,72,726.56	-

Trade Receivables ageing schedule as at March 31, 2025

Particulars	Outstanding for following periods from the due date of payment					Total
	Less than 6 Months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	4,72,726.56	-	-	-	-	4,72,726.56
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-



USHA COTTON LIMITED

Notes on Financial Statements as at March 31 2025

Trade Receivables ageing schedule as at March 31, 2024

Particulars	Outstanding for following periods from the due date of payment					Total
	Less than 6 Months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	-	-	-	-	-	-
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables – considered good	-	-	-	-	-	-
Disputed Trade Receivables – considered doubtful	-	-	-	-	-	-

Note 15 : Cash And Cash Equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Cash on Hand	5,141.65	-
Balances with Banks	10,774.25	-
Total	15,915.90	-

Note 16 : Short Term Loans & Advances

Particulars	As at March 31, 2025	As at March 31, 2024
Advances to Suppliers & Others	1,177.99	-
Balance With Revenue Authorities	6,672.97	-
Total	7,850.96	-

Note 17: Other Current Assets

Particulars	As at March 31, 2025	As at March 31, 2024
Pre-paid Insurance Expense	171.86	-
Other Current Assets	608.11	-
Total	779.97	-



USHA COTTON LIMITED

Notes on Financial Statements for the year ended on 31st March, 2025

(Amount in Thousands)

Note 18 : Revenue From Operations

Particular	Year Ended March 31, 2025		Year Ended March 31, 2024	
Cloth Sales		3,41,614.96		-
Printing Jobwork Income		27,707.30		-
Total		3,69,322.25		-

Note 19 : Other Incomes

Particular	Year Ended March 31, 2025		Year Ended March 31, 2024	
Interest on PGVCL Deposit		41.81		-
Interest on Fixed Deposit		50.96		-
Windmill Income		6,538.63		-
Total		6,631.39		-

Note 20 : Cost of Material Consumed

Particular	Year Ended March 31, 2025		Year Ended March 31, 2024	
Cost of Raw Materials Consumed				
Opening Stock		-		-
Add : Acquired through Slump Sale		77,944.63		-
Add : Purchase during the year		2,55,130.47		-
Less : Closing Stock		(25,415.14)		-
Total		3,07,659.95		-

Note 21 : Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade

Particular	Year Ended March 31, 2025		Year Ended March 31, 2024	
Inventories at the End of the Year				
Work in Progress		24,496.31		-
Finished Goods		6,496.24		-
By Product/Wastage		11,426.55		-
Inventories at the Beginning of the Year				
Work in Progress		-		-
Finished Goods		-		-
Scrap / Wastage		-		-
Net (Increase)/Decrease		(42,419.09)		-



USHA COTTON LIMITED

Notes on Financial Statements for the year ended on 31st March, 2025

Note 22 : Manufacturing Expenses

Particular	Year Ended March 31, 2025		Year Ended March 31, 2024	
Bale Loading & Unloading Labour Expense		61.00		-
Boiler Operating Labour Expense		684.00		-
Cartage Expense		14.33		-
Coating on Roller Expense		209.00		-
Design Expense		5,133.29		-
Dyeing Jobwork Expense		59.00		-
Electric Repairs and Maintainance		240.23		-
Electricity Expense		12,817.50		-
Embroidery Jobwork Expense		7,374.48		-
Factory & Machinery Rent		966.00		-
Factory Consumables		2,350.52		-
Filter and Recovery Plant Labour Expense		272.75		-
Generator Fuel Expense		283.74		-
Ghat Transportation Labour & Water Expense		211.54		-
Jobwork Expense		1,266.32		-
Kitanga Labour Expense		15,988.00		-
Saree Labour Expense		12,080.25		-
Transportation Expense		4,450.92		-
Total		64,462.87		-

Note 23 : Employee Benefits Expenses

Particular	Year Ended March 31, 2025		Year Ended March 31, 2024	
Salary Expense				
-Production Staff	7,102.82			
-Admin Staff	2,610.57	9,713.39		
Providend Fund		104.79		-
Incentive on Production		173.43		-
Canteen Expense		250.62		-
Staff Welfare Expense		85.06		-
Total		10,327.29		-

Note 24 : Finance Costs

Particular	Year Ended March 31, 2025		Year Ended March 31, 2024	
Interest on ECLGS Loan		5.02		-
Interest on GECL Loan		63.81		-
Interest on Machinery Term Loan		117.34		-
Interest on Business Loan		1,057.69		-
Interest on Working Capital Loan		1,929.08		-
Interest on Windmill Loan		598.25		-
Total		3,771.18		-



USHA COTTON LIMITED

Notes on Financial Statements for the year ended on 31st March, 2025

Note 25 : Other Expenses

Particular	Year Ended March 31, 2025		Year Ended March 31, 2024	
Accounting Fees		390.00		-
Audit Fees		100.00		-
Bank Charges		208.21		-
Blacksmith Job Expense		33.14		-
Commission Expense		2,508.97		-
Discount / Kasar		1.73		-
Factory Expense		54.47		-
Factory Repairs & Maintenance		188.44		-
GST Expense		3.17		-
Insurance Expense		23.85		-
Interest on Late Payment of Taxes		2.38		-
Legal & Professional Fees		538.72		-
License Fees		113.36		-
Machinery Repairs & Maintenance		517.74		-
Office Expense		11.53		-
Postage and Courier Expense		42.93		-
Printing & Stationery Expense		92.20		-
Security Expense		417.09		-
Software Repairs & Maintenance Expense		102.00		-
Transportation Expense (Outward)		116.50		-
Vehicle Expense		199.56		-
Vehicle Petrol & Deisel Expense		685.42		-
Water Treatment Maintenance Expense		1,134.60		-
Website Development Expense		60.00		-
Windmill				
- Maintanance Expense		18.59		-
- Power Transmission Expense		601.07		-
Total		8,165.66		-



USHA COTTON LIMITED

Notes on Financial Statements as at March 31, 2025

(Amount in Thousands)

Note 25.1 : Remuneration To Auditors

Particular	Year Ended March 31, 2025	Year Ended March 31, 2024
Auditor's Remuneration comprises of		
Audit Fees	100.00	-
Other Services	-	-
Reimbursement of out of pocket expenses	-	-
Total	100.00	-

Note 26 : Earning Per Share

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Profit after tax as per P & L A/c.	15,662.74	-
Weighted Average Number of Equity Shares in Calculating Basic EPS	5,00,000	-
Nominal Value of Equity Shares	10.00	-
Basic Earning Per Share	31.33	-
Diluted Earning Per Share	31.33	-

Note 27 : Related Party Disclosure

(I) Related Parties and Their Relationship

(a) Subsidiary/Associate/Joint Venture	
Name of the Entity	Type
Nil	Nil
(b) Key Management Personnel & Relatives	
(i) Name of the Management Personnel	Type
1 Rajeshbhai Parshotam Malaviya	Director
2 Darsh Rajeshbhai Malaviya	Director
3 Ushaben Rajeshbhai Malaviya	Director
(ii) Name of Relative	Type
1 Parth Rajeshbhai Malaviya	Director's Relative
(c) Entities Controlled by Directors/Relative of Directors	
Name of the Entities	
Kian-M Export Private Limited	
Pushti Processors	
Mira India Fashion	
Bhakti Art	



USHA COTTON LIMITED

(II) Transactions with Related Parties

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Unsecured Loans Repaid		
Ushaben Rajeshbhai Malaviya	1,05,509.71	-
Unsecured Loans Repaid		
Ushaben Rajeshbhai Malaviya	52,530.00	-
Sale of Goods		
Kian-M Export Private Limited	3,07,689.59	-
Design Expense		
Bhakti Art	5,083.45	-
Factory & Machinery Rent		
Pushti Processors	900.00	-
Ushaben Rajeshbhai Malaviya	33.00	-
Rajeshbhai Parshotam Malaviya	38.94	-

(III) Outstanding Balances arising from Transactions with Related Parties

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Unsecured Loans		
Ushaben Rajeshbhai Malaviya	31,627.97	-
Trade Payable		
Pushti Processors	20.32	-
Ushaben Rajeshbhai Malaviya - for Rent	47.29	-
Rajeshbhai Parshotam Malaviya - for Rent	35.64	-
Bhakti Art	3,242.51	-
Trade Receivable		
Kian-M Export Private Limited	4,15,067.19	-

Note 28 : Contingent Liability and Commitments (To the Extent not provided for)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
a) Contingent Liabilities		
Claims against company not acknowledged as debt	-	-
Tax matters in dispute under appeal	-	-
Dispute in relation to the payment of wages	-	-
Bank guarantees for Performance, Earnest Money & Security Deposit	-	-
b) Commitments		
Estimated amount of contracts remaining to be executed on capital accounts and not provided for	-	-
Total	-	-



USHA COTTON LIMITED

Note 29 : Value of imports calculated on C.I.F. basis

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Raw Materials	-	-
Components and Spare parts	1,031.81	-

Note 30 : Expenditure in Foreign Currency

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Foreign Bank Charges	-	-
Foreign Travelling Expense	-	-

Note 31 : Earning in Foreign Exchange

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
F.O.B. Value of Export	-	-



USHA COTTON LIMITED

Note 32 : Additional Regulatory Information :

Ratios :

(Amount in Thousands)

PARTICULARS	As at March 31, 2025	As at March 31, 2024	Variances	Reason
(i) Current Ratio :				
<u>Current Assets</u>	<u>5,65,107.62</u>			
<u>Current Liabilities</u>	<u>5,72,200.02</u> = 0.99	N.A.	N.A.	N.A.
(ii) Debt-Equity Ratio :				
<u>Total Debt</u>	<u>1,84,268.26</u>			
<u>Shareholders' Equity</u>	<u>97,062.74</u> = 1.9	N.A.	N.A.	N.A.
(iii) Debt Service Coverage Ratio :				
<u>Earnings available for Debt service</u>	<u>27,756.97</u>			
<u>Debt service</u>	<u>10,396.07</u> = 2.67	N.A.	N.A.	N.A.
(iv) Return on Equity :				
<u>Net Profits after Taxes - Preference Dividend (If any)</u>	<u>15,662.74</u>			
<u>Average Shareholder's Equity</u>	<u>48,531.37</u> = 32.27%	N.A.	N.A.	N.A.
(v) Inventory Turnover Ratio :				
<u>Cost of Goods Sold</u>	<u>3,47,626.51</u>			
<u>Average Inventory</u>	<u>8,961.39</u> = 38.79	N.A.	N.A.	N.A.
(vi) Trade Receivables Turnover Ratio:				
<u>Net Credit Sales</u>	<u>3,69,322.25</u>			
<u>Average Accounts Receivables</u>	<u>2,36,363.28</u> = 1.56	N.A.	N.A.	N.A.
(vii) Trade Payables Turnover Ratio :				
<u>Net Credit Purchases</u>	<u>2,55,130.47</u>			
<u>Average Trade Payables</u>	<u>2,14,478.22</u> = 1.19	N.A.	N.A.	N.A.
(viii) Net Capital Turnover Ratio :				
<u>Net Sales</u>	<u>3,69,322.25</u>			
<u>Average Working Capital</u>	<u>(3,546.20)</u> = -104.15	N.A.	N.A.	N.A.
(ix) Net Profit Ratio :				
<u>Net profit</u>	<u>15,662.74</u>			
<u>Turnover</u>	<u>3,69,322.25</u> = 4.24%	N.A.	N.A.	N.A.
(x) Return on Capital Employed :				
<u>Earnings before Interest and Taxes</u>	<u>25,600.27</u>			
<u>Capital Employed</u>	<u>3,19,125.33</u> = 8.02%	N.A.	N.A.	N.A.
(xi) Return on Investment :				
<u>Income from Investments</u>				
<u>Cost of Investment</u>	N.A.	N.A.	N.A.	N.A.



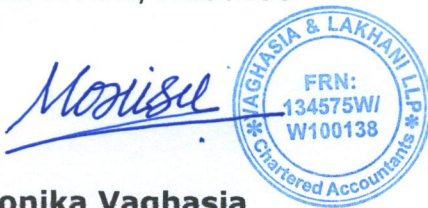
Note 33: Other Notes

1. The balance of Trade Receivable, Trade Payables, advances, deposits & Other Current Assets and liabilities are subject to confirmation, reconciliation, adjustments, if any.
2. The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
3. The Company is not declared as wilful defaulter by any bank or financial Institution or other lender.
4. The Company does not hold any Benami Property under the Benami Transactions (Prohibition) Act, 1988.
5. The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
6. The Company has not made any Investment in violation to the provisions related to number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017.
7. The Company has not traded or invested in Crypto Currency or Virtual Currency.
8. The Company has not granted Loans or Advances in the nature of loans to Promoters, Directors, KMP's and related parties which are repayable on demand or given without specifying terms or period of repayment.
9. There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.
10. The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.)
11. As per the company's process to identify micro, small and medium enterprise vendors as defined under the Micro, Small and Medium Enterprise Development Act, 2006 ("the Act"), based on self-declaration received from supplier to identify themselves as Small, Medium and micro enterprise as per MSME Act. Further Company made presumption in cases that supplier is not registered under MSME Act where company do not receive any self-declaration from suppliers in this regard. It has been presumed that such vendors are not registered with MSME Act. However, company has not provided interest liability on delayed payments made to small and micro enterprises as per requirement of Section 16 of MSMED Act, 2006.



12. Previous year's figures have been regrouped, reclassified wherever necessary to correspond with the current year classification/disclosure.
13. No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

For, Vaghasia & Lakhani LLP
Chartered Accountants
FRN: 134575W/W100138



CA Monika Vaghasia
Partner
MRN :149637

Date : 05.09.2025
Place : Rajkot

For and on behalf of Board of Directors
Usha Cotton Limited

21/09/2025

Usha R. Malaviya

Rajesh Malaviya
Director
DIN: 08671847

Date : 05.09.2025
Place : Rajkot

Usha Malaviya
Director
DIN: 10882621