HEM HOLDINGS AND TRADING LIMITED

REGD. OFF. UNIT NO V-348, THE CENTRIUM, 3RD FLOOR, KURLA KIROL, LBS, KURLA, MUMBAI, MAHARASHTRA, INDIA, 400070, TEL NO. 40034768

Email: compliance@hemholdings.com/investors@hemholdings.com

CIN: L65990MH1982PLC026823

Date: 04.09.2026

To,
The Secretary
Department Of Corporate Services
Bombay Stock Exchange Limited
Floor 25, Phiroze Jeejeebhoy Tower, Dalal
Street, Mumbai-400 001

BSE Scrip Code: 505520

Sub.: Notice and Annual Report of Annual General Meeting of Hem Holdings and Trading Limited for the financial year 2025-26

Dear Sir/ Ma'am,

This is to inform you that the 44th Annual General Meeting ("AGM") of the Company is scheduled to be held on Tuesday, September 29, 2026 at 12:00 P.M. (IST) through video conference ("VC")/ other audio visual means ("OAVM") in compliance with the applicable provisions of the Companies Act, 2013 and rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), and relevant circulars issued by MCA and SEBI.

Pursuant to the Listing Regulations, we are enclosing herewith the following:

Notice convening 44th Annual General Meeting of the Company ("Notice") and
Annual Report of the Company for the financial year ended March 31, 2026 ("Annual Report")

The Notice and Annual Report is being sent through electronic mode to the members of the Company whose names appear in the register of members/ list of beneficial owners as on Friday, 28th August, 2026 and whose e-mail addresses are registered with the Company/ registrar and share transfer agent/ depositories/ depository participants.

The Board has engaged the RTA of the Company i.e., MUFG Intime India Pvt. Ltd. for conducting the E-voting procedure. Members of the Company holding shares in demat or physical form as on Tuesday, September 22, 2026 ("Cut-off date") are entitled to cast their vote on the resolutions as set out in the Notice by electronic means, through remote e-voting facility which shall commence on Saturday, September 26, 2026 at 9:00 A.M. (IST) and end on Monday, September 28, 2026 at 5:00 P.M. (IST) or through e-voting at the AGM.

The Notice convening the AGM along with the Annual Report is uploaded on the Company's website at www.hemholdings.com and also at the website of MUFG at :: Link Intime India Pvt. Ltd - InstaVOTE ::

For Hem holdings and Trading Limited

Taruna Gupta
Digitally signed by Taruna Gupta
Date: 2026.09.04 11:13:30 +05'30'

Taruna Gupta
Company Secretary & Compliance Officer
Mem. No. A38630

HEM HOLDINGS AND TRADING LIMITED

ANNUAL REPORT

2025-26

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ORGANIZATION AT A GLANCE

BOARD OF DIRECTORS

NAME OF DIRECTORS	DESIGNATION
Ravi Manoharlal Kharwad	Managing Director
Rinku Saini	Director
Shubham Arvind Kumar Jain	Director
Himanshu Agarwal	Director
Jubin Premji Gada	Director

KEY MANAGERIAL PERSONNEL (KMPs)

NAME	DESIGNATION
RAVI MANOHARLAL KHARWAD	MANAGING DIRECTOR & CFO
TARUNA GUPTA	COMPANY SECRETARY AND COMPLIANCE OFFICER

AUDITORS

NAME	DESIGNATION
M/S. B. M. GATTANI & CO., CHARTERED ACCOUNTANTS (FRN: 113536W)	STATUTORY AUDITORS
M/S. AJAY SURESH YADAV AND ASSOCIATES	SECRETARIAL AUDITORS

OFFICE ADDRESS

REGISTERED OFFICE	Unit No. V-348, The Centrium, 3rd Floor, Kurla Kirol, LBS, Mumbai-400070, Maharashtra

STOCK EXCHANGES

BSE LIMITED

BANKING PARTNERS

YES BANK LIMITED
AXIS BANK LIMITED

REGISTRAR AND SHARE TRANSFER AGENTS

M/S MUFG INTIME INDIA PVT. LTD
NOBLE HEIGHTS, 1ST FLOOR, PLOT NO. NH 2, LSC, C-1 BLOCK, NEAR SAVITRI MARKET, JANAKPURI, NEW DELHI-110058

Notice of 44TH Annual General Meeting

NOTICE is hereby given that the 44th Annual General Meeting of Hem Holdings and Trading Limited will be held on Tuesday, 29th September, 2026, at 12.00 PM (IST) via video conferencing / other audio-visual mode (VC/OAVM) deemed to be held at the registered office of the Company to transact the following business as:

ORDINARY BUSINESS(ES):

To consider and, if thought fit, to pass the following resolutions as ordinary resolutions:

1. TO RECEIVE, CONSIDER AND ADOPT THE AUDITED STANDALONE FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026, AND THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITOR THEREON

To consider and, if thought fit, to pass the following resolutions as ordinary resolutions:

"RESOLVED THAT the audited standalone financial statements of the Company for the financial year ended 31st March, 2026 and the reports of the Board of Directors and Auditor thereon as circulated to the members with the notice of the Annual General Meeting, be and are hereby received, considered and adopted."

2. TO RE-APPOINT SHUBHAM ARVIND KUMAR JAIN (DIN: 10985882) AS A DIRECTOR LIABLE TO RETIRE BY ROTATION

To consider and, if thought fit, to pass the following resolutions as ordinary resolutions:

"RESOLVED THAT pursuant to the provision(s) of applicable law(s), and the Articles of Association, and upon recommendation of the Board of Directors, Shubham Arvind Kumar Jain (DIN: 10985882), Director, who retires by rotation and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as director of the Company liable to retire by rotation."

3. APPOINTMENT OF M/S B.M. GATTANI & CO., CHARTERED ACCOUNTANTS (FRN: 113536W) AS STATUTORY AUDITORS OF THE COMPANY

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s. B.M. Gattani & Co., Chartered Accountants (FRN: 113536W), who were appointed by the Board of Directors of the Company to fill the casual vacancy caused due to the resignation of M/s. Harsh Jain & Associates, Chartered Accountants, Durg (FRN: 007639C), and whose appointment was subsequently approved by the members of the Company at the Extra-Ordinary General Meeting, be and are hereby appointed as the Statutory Auditors of the Company for a term of 5 (Five) consecutive years, commencing from the conclusion of this Annual General Meeting until the conclusion of the 49th Annual General Meeting of the Company to be held in the year 2031, at such remuneration as may be determined by the Board of Directors in consultation with the Statutory Auditors."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to determine and finalize the remuneration of the Statutory Auditors and to do all such acts, deeds, matters and things and execute all such documents as may be necessary, expedient or desirable to give effect to this resolution.

SPECIAL BUSINESS(ES):

4. APPOINTMENT OF M/S. AJAY SURESH YADAV AND ASSOCIATES AS SECRETARIAL AUDITORS OF THE COMPANY

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with the Companies (Appointment and Remuneration of

Managerial Personnel) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and pursuant to the recommendation of the Board of Directors of the Company, M/s. Ajay Suresh Yadav and Associates, Peer Reviewed Firm of Company Secretaries in Practice, be and are hereby appointed as the Secretarial Auditors of the Company to conduct the Secretarial Audit of the Company for a term of 5 (Five) consecutive financial years commencing from the financial year 2026-27 to the financial year 2030-31, on such remuneration as may be determined by the Board of Directors in consultation with the Secretarial Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and execute all such documents as may be necessary, expedient or desirable to give effect to this resolution."

For Hem Holdings and Trading Limited

SD/-

Ravi Manoharlal Kharwad
Managing Director
DIN No: 02079606

Date: 01.09.2026
Place: Mumbai

NOTES

1. An Explanatory Statement pursuant to Section 102 of the Companies, Act, 2013 ("the Act") which sets out details relating to special business to be transacted at the Annual General Meeting is required to be annexed to the notice. There being 01 Special Business to be transacted in the 44th Annual General Meeting ("AGM") of the Company, such an explanatory statement is annexed below along with the Notice of the AGM.
2. The Ministry of Corporate Affairs ('MCA') vide its General Circular No. 03/2025 dated September 22, 2025 read with circulars issued earlier on the subject ('MCA Circulars'), has permitted companies to conduct their AGMs through VC/OAVM without the physical presence of Shareholders at a common venue. In accordance with the MCA Circulars and applicable provisions of the Companies Act, 2013 ('Act') read with Rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR Regulations'), the 44th AGM of the Company is being held through VC/OAVM. The detailed procedure for participating in the AGM through VC/OAVM is annexed herewith and also available at the Company's website https://www.hemholdings.com/. The deemed venue of the AGM shall be the Registered Office of the Company.
3. In accordance with the aforesaid MCA Circulars and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 issued by Securities Exchange Board of India (collectively referred to as "SEBI Circulars"), the Notice of the AGM along with Annual Report 2025-26 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2025-26 will also be available on the Company's website https://www.hemholdings.com/, website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of MUFG Intime India Private Limited (Agency appointed by the Company for the purpose of remote e-voting, e-voting at AGM and VC/OAVM facility for AGM) i.e https://instavote.linkintime.co.in A member, who wishes to obtain hard copy of the Annual Report, may send a request in this regard, to the Company at compliance@hemholdings.com or to the Company's Registrar and Transfer Agent at rnt.helpdesk@in.mpms.mufg.com In terms of Regulation 36 (1) (b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a letter providing the web-link, including the exact path, where the Annual Report 2025-26 is available, is being sent to those shareholders who have not registered their email addresses.
4. Relevant details, pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment / re-appointment at this AGM, are also annexed to this Notice as **Annexure '1'**.
5. Pursuant to the provisions of the Companies Act, 2013, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this AGM and hence, the Proxy Form, Attendance Slip and route map of AGM are not annexed to this Notice.
6. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.:

   (a) **For shares held in dematerialized form:** to their Depository Participants (DPs);

   (b) **For shares held in physical form:** to the Company/Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024 and other related SEBI Circulars.
7. Regulation 40(1) of SEBI Listing Regulations as amended from time to time including amendment made vide notification dated January 24, 2022, has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of this requirement and also in order to eliminate risks associated with holding shares in physical form, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or Company's Registrar and Transfer Agent, for assistance in this regard.

8. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 read with SEBI Master Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated May 7, 2024, has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub division/splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the website of Registrar and Transfer Agent i.e. https://instavote.linkintime.co.in Members may note that any such service request can be processed only after the folio is KYC Compliant.
9. In case of joint holders, only such joint holder whose name appears as the first holder in the order of names as per the Register of Members will be entitled to vote at AGM.
10. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
11. Any person, whose name appears in the Register of Member/ list of Beneficial Owners as on Cut-off date specified in this Notice, shall be entitled to vote by way of voting through remote e-voting or e-voting system at AGM on the items/ Resolutions set forth in this Notice. Process for e-voting is provided in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. The members, who have casted their vote(s) by remote e-voting, may also attend the AGM but shall not be entitled to cast their vote again during the AGM. The voting rights of the members shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off date.
12. Any person including non-individual shareholders holding shares in physical form, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice of AGM and holding shares as of the Cut-off date, may obtain the login ID and password by following the instructions provided.
13. Mr. Anuj Gupta (M. No. 31025, C.P. No. 13025), Proprietor of M/s. Anuj Gupta & Associates, Practicing Company Secretaries, has been appointed by the Board of Directors as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner.
14. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, within two working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the meeting or a person authorized by him in writing, who shall countersign the same. The results shall be announced/declared within the time specified under the applicable laws.
15. The results declared along with the Scrutinizer's Report shall be placed on the Company's website https://www.hemholdings.com and on the website of MUFG Intime India Private Limited i.e. https://instavote.linkintime.co.in immediately. The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.
16. Members seeking any information/desirous of asking any questions at the AGM with regard to the accounts or any matter to be placed at this AGM may send email to the Company at compliance@hemholdings.com at least 7 working days before the Meeting. The same will be replied by the Company suitably.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

The remote e-voting period begins on Saturday, 26th September, 2026, 09:00 A.M. and ends on Monday, 28th September, 2026 at 5:00 P.M. The remote e-voting module shall be disabled by MUFG Intime India Private Limited for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Tuesday, 22nd September, 2026, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 22nd September, 2026.

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Individual Shareholders holding securities in demat mode with NSDL

METHOD 1 – NSDL OTP based login

a) Visit URL: https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp

b) Enter your 8-character DP ID, 8-digit Client Id, PAN, Verification code and generate OTP.

c) Enter the OTP received on your registered email ID / mobile number and click on login.

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.

e) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 – NSDL IDeAS facility Shareholders registered for IDeAS facility:

a) Visit URL: https://eservices.nsdl.com and click on “Beneficial Owner” icon under “IDeAS Login Section”.Enter IDeAS User ID, Password, Verification code & click on “Log-in”.

b) Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on “Access to e-Voting” under e-Voting services.

c) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for IDeAS facility:

a) To register, visit URL: https://eservices.nsdl.com and select “Register Online for IDeAS Portal” or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

b) Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on “Submit”.

c) Enter the last 4 digits of your bank account / generate ‘OTP’.

d) Post successful registration, user will be provided with Login ID and password.

e) Follow steps given above in points (a-d).

METHOD 3 – NSDL e-voting website

a) Visit URL: https://www.evoting.nsdl.com

b) Click on the “Login” tab available under ‘Shareholder/Member’ section.

c) Enter User ID (i.e., your 16-digit demat account no. held with NSDL), Password/OTP and a Verification Code as shown on the screen & click on “Login”.

d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.

e) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL

METHOD 1 – CDSL e-voting page

a) Visit URL: https://www.cdslindia.com.

b) Go to e-voting tab.

c) Enter 16-digit Demat Account Number (BO ID) and PAN No. and click on “Submit”.

d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account.

e) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 – CDSL Easi / Easiest facility:

Shareholders registered for Easi / Easiest facility:

a) Visit URL: https://web.cdslindia.com/myeasitoken/Home/Login or Visit URL: www.cdslindia.com, click on “Login” and select “My Easi New (Token)”.

b) Enter existing username, Password & click on “Login”.

c) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders not registered for Easi / Easiest facility:

a) To register, visit URL: https://web.cdslindia.com/myeasitoken/Home/EasiRegistration /https://web.cdslindia.com/myeasitoken/Home/EasiestRegistration.

b) Proceed with updating the required fields for registration.

c) Post successful registration, user will be provided username and password on the registered email id. Follow steps given above in points (a-c).

Individual Shareholders holding securities in demat mode with Depository Participant

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.

a) Login to DP website.

b) After Successful login, user shall navigate through “e-voting” option.

c) Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.

d) Post successful authentication, click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode.

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the Cut-Off Date for e-voting may register and vote on InstaVote as under:

STEP 1: LOGIN / SIGNUP on InstaVote Shareholders registered for INSTAVOTE facility:

a) Visit URL: https://instavote.linkintime.co.in & click on "Login" under 'SHARE HOLDER' tab.

b) Enter details as under:

c) User ID: Enter User ID

d) Password: Enter existing Password

e) Enter Image Verification (CAPTCHA) Code

f) Click "Submit".

(Home page of e-voting will open. Follow the process given under "Steps to cast vote for Resolutions")

STEP 2: Steps to cast vote for Resolutions through InstaVote

a) Post successful authentication and redirection to InstaVote inbox page, you will be able to see the "Notification for e-voting".

b) Select 'View' icon. E-voting page will appear.

c) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).

d) After selecting the desired option i.e. Favour / Against, click on 'Submit'.

e) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

NOTE: Shareholders may click on "Vote as per Proxy Advisor's Recommendation" option and view proxy advisor recommendations for each resolution before casting vote. "Vote as per Proxy Advisor's Recommendation" option provides access to expert insights during the e-Voting process. Shareholders may modify their vote before final submission.

Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently.

Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at registered email address with a copy marked to RTA at enotices@in.mpms.mufg.com and the company at www.covidhtechnologies.com.

Guidelines for Institutional shareholders ("Custodian / Corporate Body / Mutual Fund")

STEP 1 – Custodian / Corporate Body / Mutual Fund Registration

a) Visit URL: https://instavote.linkintime.co.in

b) Click on "Sign Up" under "Custodian / Corporate Body / Mutual Fund".

c) Fill up your entity details and submit the form.

d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised

Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.

e) Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's email ID. (You have now registered on InstaVote.)

STEP 2 – Investor Mapping

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) Click on "Investor Mapping" tab under the Menu section.

c) Map the Investor with the following details:

1. 'Investor ID' – Investor ID for NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678; Investor ID for CDSL demat account is 16 Digit Beneficiary ID.

2. 'Investor's Name – Enter Investor's Name as updated with DP.

3. 'Investor PAN' – Enter your 10-digit PAN.

4. 'Power of Attorney' – Attach Board resolution or Power of Attorney.

NOTE: File Name for the Board resolution / Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID.

Further, Custodians and Mutual Funds shall also upload specimen signatures.

d) Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body / Mutual Fund Entity). The same can be viewed under the "Report section".

STEP 3 – Steps to cast vote for Resolutions through InstaVote

The corporate shareholder can vote by two methods, during the remote e-voting period.

METHOD 1 – VOTES ENTRY

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) Click on "Votes Entry" tab under the Menu section.

c) Enter the "Event No." for which you want to cast vote.

d) Event No. can be viewed on the home page of InstaVote under "On-going Events".

e) Enter "16-digit Demat Account No.".

f) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link). After selecting the desired option i.e. Favour / Against, click on 'Submit'.

g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

METHOD 2 – VOTES UPLOAD

a) Visit URL: https://instavote.linkintime.co.in and login with InstaVote Login credentials.

b) After successful login, you will see "Notification for e-voting".

c) Select "View" icon for "Company's Name / Event number".

d) E-voting page will appear.

e) Download sample vote file from “Download Sample Vote File” tab.

f) Cast your vote by selecting your desired option ‘Favour / Against’ in the sample vote file and upload the same under “Upload Vote File” option.

g) Click on ‘Submit’. ‘Data uploaded successfully’ message will be displayed.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

NOTE: Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at registered email address with a copy marked to RTA at enotices@in.mpms.mufg.com and the company at compliance@hemholdings.com

HELPDESK:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufg.com or contact on: Tel: 022 – 4918 6000.

Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login Type	**Helpdesk Details**
Physical mode / Non-Individual Shareholders in demat mode	Email: enotices@in.mpms.mufg.com Tel: 022 – 4918 6000
Individual Shareholders with NSDL	Email: evoting@nsdl.co.in Tel: 022 - 4886 7000
Individual Shareholders with CDSL	Email: helpdesk.evoting@cdslindia.com Toll Free: 1800 22 55 33

Forgot Password:

Individual Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: https://instavote.linkintime.co.in

- Click on “Login” under ‘SHARE HOLDER’ tab.
- Further Click on “forgot password?”
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on “SUBMIT”.

In case Custodian / Corporate Body / Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on: https://instavote.linkintime.co.in

- Click on ‘Login’ under “Custodian / Corporate Body / Mutual Fund” tab.
- Further Click on “forgot password?”
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).

- Click on “SUBMIT”.

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB / DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL / CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository / depository participants website.

General Instructions – Shareholders

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders / members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders / members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

For Hem Holdings and Trading Limited

SD/-

Ravi Manoharlal Kharwad
Managing Director
DIN: 02079606

Date: 01.09.2026
Place: Mumbai

EXPLANATORY STATEMENT

Explanatory statement to the notice pursuant to the section 102(1) of the Companies Act, 2013

Item No. 04: Appointment of M/s. Ajay Suresh Yadav and Associates as Secretarial Auditors of the Company

The members of the Company, at the Extra-Ordinary General Meeting held on 12th March, 2026, approved the appointment of M/s. Ajay Suresh Yadav and Associates, Company Secretaries in Practice, Peer Reviewed Firm, as the Secretarial Auditors of the Company.

In view of the above and pursuant to the applicable provisions of the Companies Act, 2013 and the rules made thereunder, the Company proposes the appointment of M/s. Ajay Suresh Yadav and Associates, Company Secretaries in Practice, Peer Reviewed Firm, as the Secretarial Auditors of the Company for a term of 5 (Five) consecutive financial years commencing from the financial year 2026-27 to the financial year 2030-31.

The Company has received the consent and eligibility certificate from M/s. Ajay Suresh Yadav and Associates, confirming their eligibility and that they are not disqualified from being appointed as the Secretarial Auditors of the Company.

The Board recommends the resolution set out at Item No. 04 of the accompanying Notice for approval of the members by way of an Ordinary Resolution.

None of the Directors, Key Managerial Personnel of the Company or their respective relatives is, in any way, concerned or interested, financially or otherwise, in the said resolution.

For Hem Holdings and Trading Limited

SD/-

Ravi Manoharlal Kharwad
Managing Director
DIN: 02079606

Date: 01.09.2026
Place: Mumbai

ANNEXURE 1 TO THE NOTICE

Brief resume and other information of the director seeking re-appointment at the 44th Annual General Meeting ('AGM') pursuant to regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations, 2015'), the Companies Act, 2013 ('the Act') and the Secretarial Standard on General Meetings ('SS-2'):

ITEM NO. 2

Shubham Arvind Kumar Jain (DIN: 10985882)

As regards the re-appointment of Mr. Shubham Arvind Kumar Jain, referred to in the Notice, the following disclosures are made for the information of the members:

I. Brief Profile:

Director – Mr. Shubham Arvind Kumar Jain is a seasoned business leader with a distinguished career in corporate management and strategic leadership. He was appointed as Director on bringing with him a wealth of experience and a strong vision for sustainable growth and innovation.

Under his leadership, the organisation has witnessed significant progress in operational efficiency, market expansion, and stakeholder value. Mr. Jain is known for his commitment to excellence, ethical governance, and fostering a culture of continuous improvement. His strategic insights and decisive leadership continue to steer the company towards long-term success.

II. Terms and Conditions of appointment/reappointment, along with the details of remuneration sought to be paid and the last remuneration drawn:

Re-appointment of Shubham Arvind Kumar Jain (DIN: 10985882) as a director liable to retire by rotation

III. Age

29 Years (DOB:17/05/1997)

IV. Date of first appointment on the Board:

01st October, 2025

V. Shareholding in the Company

NIL

VI. Relationship with other Directors, Manager, and other Key Managerial Personnel

NIL

VII. Other Directorships, Membership/ Chairmanship of Committees of other Board

S. No	Company/LLP	Designation	Category	Date of Appointment
1	Tvisha Prosperity Partners LLP	Designated Partner	NA	05/03/2025

DIRECTORS' REPORT

Dear Members,

The directors are pleased to present the **44th** Annual Report of **Hem Holdings and Trading Limited** ('your Company'/'the Company') together with the Audited Financial Statements for the financial year ended **31st March 2026.**

Amount (in lacs.)

Particulars	**2025-26**	**2024-25**
Revenue from operations	71.13	29.96
Other Incomes	0.21	7.50
Total Income	**71.34**	**37.46**
Depreciation and amortization Expense	0	1.07
Other Expenses	8.71	155.72
Total Expenses	**10.18**	**157.77**
Profit Before Tax	**61.15**	**-120.31**
Current Tax expense	0	0
Net Profit after Tax	**61.15**	**-120.31**
EPS (BASIC/DILUTED)	**25.48**	**-50.13**

PERFORMANCE REVIEW

The Board of Directors is making all efforts for the betterment of the company. Further, during the year 2025-26, the revenue of the company from operations is **Rs. 71,34,000/-** as compared to last year, i.e., **Rs. 29,96,000/-** Expenditure for the year has decreased to **Rs. 10,18,000/-** as compared to last year, which was **Rs. 1,57,76,0000/-**

STATE OF AFFAIRS / HIGHLIGHTS

The Company is an **NBFC** Company and is engaged in NBFC activities. The Board of Directors and the Management of the Company are working on various strategies to scale up the operations of the Company. During the year under review, there was no change in the nature of the business of the Company.

RESERVES

The Company has not transferred any amount to General Reserve during FY 2025-26

DIVIDEND

During the year under review, the Directors of the Company do not recommend any dividend for the financial year ended **March 31, 2026**.

SHARE CAPITAL

The Authorised Share Capital of the Company is Rs. 25,00,000**/- (Rupees Twenty-Five Lac only)** divided into **2,50,000 (Two Lac and Fifty Thousand)** Equity Shares of face value of **Rs. 10/-** each.

The Issued, Subscribed and Paid-up Capital of the Company is **Rs. 24,00,000/- (Rupees Twenty-Four Lac only)** divided into **2, 40,000 (Two Lac and Forty Thousand only)** Equity Shares of face value of **Rs. 10/-** each.

There has been no change in the Share Capital of the Company during the financial year under review.

PUBLIC DEPOSITS

During the year under review, the Company has not invited or accepted any deposits within the meaning of Sections 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as the Company has not declared any dividend during the preceding years.

CHANGES IN NATURE OF BUSINESS (IF ANY)

There was no change in the nature of business during the financial year 2025-26.

RBI GUIDELINES

The Company continues to comply with all the requirements prescribed by the Reserve Bank of India (RBI) from time to time. The Board periodically reviews the policies and approves amendments as and when necessary.

DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS, EMPLOYEE STOCK OPTIONS & SWEAT EQUITY SHARES.

The Company has not issued any equity shares with differential voting rights or employee stock options, or sweat equity shares.

INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY

The Company does not have any Subsidiary, Joint Venture or Associate Company.

EXTRACT OF ANNUAL RETURN:

Pursuant to Section 92 of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return is available on the website of the Company on the following link:

www.hemholdings.com

BOARD OF DIRECTORS AND KMP OF THE COMPANY

I. THE COMPOSITION OF BOARD OF DIRECTORS AS ON MARCH 31, 2026 IS AS FOLLOWS:

S. No.	DIN	Name of Directors	Date of Appointment	Designation
1	02079606	Ravi Manoharlal Kharwad	16/12/2025	Managing Director
2	11059678	Rinku Saini	11/08/2025	Independent Director
3	10985882	Shubham Arvind Kumar Jain	01/10/2025	Non-Executive Non - Independent Director
4	10101174	Himanshu Agarwal	01/10/2025	Independent Director
5	10820579	Jubin Premji Gada	01/10/2025	Independent Director

II. CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year under review, following changes has been taken place in the directorship:

S. No.	DIN	Name of Directors/KM	Appointment of Directors/Resignation	Effective Date	Designation
1	05322039	Sangeeta Ketan Shah	Resignation	24/11/2025	Managing Director
2	00312343	Ketan Molchand Shah	Resignation	10/10/2025	Director
3	10420277	Jigar Pankajbhai Dave	Resignation	17/09/2025	Director
4	09515662	Dolar Kirit Shah	Resignation	17/09/2025	Director
5	NA	Roshni Singhal	Resignation	08/10/2025	Company Secretary
6	NA	Supreet Kaur	Resignation	05/03/2026	Chief Financial Officer
9	02079606	Ravi Manoharlal Kharwad	Appointment	16/12/2025	Managing Director
10	11059678	Rinku Saini	Appointment	11/08/2025	Director
11	10985882	Shubham Arvind Kumar Jain	Appointment	01/10/2025	Director
12	10101174	Himanshu Agarwal	Appointment	01/10/2025	Director
13	10820579	Jubin Premji Gada	Appointment	01/10/2025	Director
14	NA	Taruna Gupta	Appointment	17/11/2025	Company Secretary
15	NA	Ravi Manoharlal Kharwad	Appointment	05/03/2026	Chief Financial Officer

III. RETIRE BY ROTATION

In terms of the provisions of Section 152 of the Companies Act, 2013, **Mr. Shubham Arvind Kumar Jain (DIN: 10985882),** is liable to retires by rotation at the forthcoming Annual General Meeting of the Company and on being eligible offers himself for re-appointment as Director of the Company.

A brief resume of the Director, the nature of expertise in specific functional areas and names of Companies in which they hold Directorship and/or Membership/Chairmanship of Committees of the Board, as stipulated under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of the Notice calling the Annual General Meeting of the Company.

IV. DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors of the Company have submitted their declaration of independence as required under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence under Section 149(6) of the Companies Act, 2013 and Regulation 16 (1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board is of the opinion that the Independent Directors fulfill the conditions specified in these Regulations and are independent of the management. There has been no change in the circumstances affecting their status as Independent Directors of the Company. Further, the Independent Directors of the Company possess requisite qualifications, experience and expertise in the field of finance and financial services and they hold the highest standards of integrity

V. BOARD MEETINGS

The Board of Directors of the Company met **08** times during the financial year under review. The necessary quorum was present for all the Board Meetings. The maximum time gap between any of two consecutive meetings did not exceed one hundred and twenty days.

The notice and detailed agenda, and other material information were sent in advance to enable the Boardto discharge its responsibilities effectively and take informed decisions.

DATE OF MEETING	BOARD STRENGTH	NO. OF DIRECTORS PRESENT
30/05/2025	**4**	**4**
04/08/2025	**4**	**4**
11/08/2025	**5**	**5**
14/11/2025	**5**	**5**
17/11/2025	**5**	**5**
16/12/2025	**5**	**5**
13/02/2026	**5**	**5**
05/03/2026	**5**	**5**

VI. ATTENDANCE OF DIRECTORS IN THE BOARD MEETING

Name of Director	No. of Meeting Attended
Sangeeta Ketan Shah	**5**

Ketan Molchand Shah	**3**
Jigar Pankajbhai Dave	**3**
Dolar Kirit Shah	**3**
Ravi Manoharlal Kharwad	**3**
Rinku Saini	**6**
Shubham Arvind Kumar Jain	**5**
Himanshu Agarwal	**5**
Jubin Premji Gada	**5**

VII. BOARD COMMITTEES

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted various committees. The Board Committees meet at regular intervals and took necessary steps to perform the duties entrusted by the Board. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time.

Currently, the Board has the following committees:

A. Audit Committee;
B. Nomination & Remuneration Committee;
C. Stakeholder Relationship Committee;

A. AUDIT COMMITTEE

The Audit Committee is constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation"). The Committee comprises of members who possess financial and accounting expertise/exposure.

COMPOSITION

The Committee's composition is in compliance with provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

The composition of the Audit Committee as of **March 31, 2026**, is as under:

S. No.	Name of the Person	Position	Category
1.	**Rinku Saini**	Chairperson	Non-Executive Independent Director
2.	**Jubin Premji Gada**	Member	Non-Executive Independent Director
3.	**Himanshu Agarwal**	Member	Non-Executive Independent Director

There has been following changes in the constitution of the Audit Committee during the year under review.

S. No	Name of the Director	Appointment/ Resignation	Position	Category
1	**Dolar Kirit Shah**	Resignation	Chairman	Non-Executive Independent Directors
2	**Ketan Moolchand Shah**	Resignation	Member	Non-Executive Non-Independent Directors
3	**Jigar Pankaj Bhai Dave**	Resignation	Member	Non-Executive Independent Directors
4	**Rinku Saini**	Appointment	Chairperson	Non-Executive Independent Director

				Member
5	**Jubin Premji Gada**	Appointment	Member	Non-Executive Independent Director Member
6	**Himanshu Agarwal**	Appointment	Member	Non-Executive Independent Director Member

MEETINGS & ATTENDANCE OF DIRECTORS

The Audit Committee met four times during the Financial Year **2025-26** on
30.05.2025,
11.08.2025,
14.11.2025 and
13.02.2026.

The necessary quorum was present for all Meetings. The details of attendance of the members of the Committee at the said meetings are as follows:

S. No	Name of the Director	Number of Meetings Held during Financial Year	Number of Meetings Attended
1	**Dolar Kirit Shah**	4	2
2	**Ketan Moolchand Shah**	4	2
3	**Jigar Pankaj Bhai Dave**	4	2
4	**Rinku Saini**	4	2
5	**Jubin Premji Gada**	4	2
6	**Himanshu Agarwal**	4	2

It can be seen from the above details that the frequency of the Committee Meetings was in compliance with the minimum limit prescribed under applicable regulatory requirements

B. NOMINATION AND REMUNERATION COMMITTEE – (NRC)

The Nomination and Remuneration Committee is constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the provisions of Regulation 19 of the Listing Regulation.

COMPOSITION

The Committee's composition is in compliance with provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

The composition of the Nomination & Remuneration Committee as on **March 31, 2026**, is as under:

S. No.	Name of the Person	Position	Category
1.	**Rinku Saini**	Chairperson	Non-Executive Independent Director
2.	**Jubin Premji Gada**	Member	Non-Executive Independent Director

3.	**Himanshu Agarwal**	Member	Non-Executive Independent Director

There have been following changes in the constitution of the Nomination & Remuneration Committee during the year under review.

S. No	Name of the Director	Appointment/ Resignation	Position	Category
1	**Dolar Kirit Shah**	Resignation	Chairman	Non-Executive Independent Directors
2	**Ketan Moolchand Shah**	Resignation	Member	Non-Executive Non-Independent Directors
3	**Jigar Pankaj Bhai Dave**	Resignation	Member	Non-Executive Independent Directors
4	**Rinku Saini**	Appointment	Chairperson	Non-Executive Independent Director Member
5	**Jubin Premji Gada**	Appointment	Member	Non-Executive Independent Director Member
6	**Himanshu Agarwal**	Appointment	Member	Non-Executive Independent Director Member

MEETINGS AND ATTENDANCE OF THE DIRECTORS

The Nomination & Remuneration Committee met 05 times during the Financial Year **2025-26** on

04.08.2025,

11.08.2025,

17.11.2025,

16.12.2025,

And 05.03.2026

The necessary quorum was present for all the Meetings.

The details of attendance of the members of the Committee at the said meetings are as follows:

S. No.	Name of the Director	Number of Meetings Held during the Financial Year	Number of Meetings Attended
1	**Dolar Kirit Shah**	**5**	**2**
2	**Ketan Moolchand Shah**	**5**	**2**
3	**Jigar Pankaj Bhai Dave**	**5**	**2**
4	**Rinku Saini**	**5**	**3**
5	**Jubin Premji Gada**	**5**	**3**
6	**Himanshu Agarwal**	**5**	**3**

C. STAKEHOLDERS RELATIONSHIP COMMITTEE – (SRC)

The Stakeholder Relationship Committee is constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the provisions of Regulation 20 of the Listing Regulation.

COMPOSITION

S. No.	Name of the Person	Position	Category
1.	**Rinku Saini**	Chairperson	Non-Executive Independent Director
2.	**Jubin Premji Gada**	Member	Non-Executive Independent Director
3.	**Himanshu Agarwal**	Member	Non-Executive Independent Director

There have been following changes in the constitution of the Stakeholder Relationship Committee during the year under review.

S. No	Name of the Director	Appointment/ Resignation	Position	Category
1	**Dolar Kirit Shah**	Resignation	Chairman	Non-Executive Independent Directors
2	**Ketan Moolchand Shah**	Resignation	Member	Non-Executive Non-Independent Directors
3	**Jigar Pankaj Bhai Dave**	Resignation	Member	Non-Executive Independent Directors
4	**Rinku Saini**	Appointment	Chairperson	Non-Executive Independent Director Member
5	**Jubin Premji Gada**	Appointment	Member	Non-Executive Independent Director Member
6	**Himanshu Agarwal**	Appointment	Member	Non-Executive Independent Director Member

MEETINGS AND ATTENDANCE OF THE DIRECTORS

The Stakeholder Relationship Committee met four times during the Financial Year **2025-26** on

18.04.2025,

10.07.2025,

07. 10.2025,

And 12.01.2026

The necessary quorum was present for all Meetings.

The details of attendance of the members of the Committee at the said meetings are as follows:

S. No.	Name of the Director	Number of Meetings Held during the Financial Year	Number of Meetings Attended
1	**Dolar Kirit Shah**	4	2
2	**Ketan Moolchand Shah**	4	3

3	**Jigar Pankaj Bhai Dave**	4	2
4	**Rinku Saini**	4	2
5	**Jubin Premji Gada**	4	2
6	**Himanshu Agarwal**	4	2

VIII. MEETING OF INDEPENDENT DIRECTORS
The meeting was held on 13th October, 2025

S. No.	Name of the Independent Director	Whether the director was present or not
1.	**Rinku Saini**	**YES**
2.	**Jubin Premji Gada**	**YES**
3.	**Himanshu Agarwal**	**YES**

IX. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS
Details of Loans, Guarantees and Investments outstanding as on 31st March, 2026 are given in the notes to the financial statements.

X. RELATED PARTY TRANSACTION
There is no materially significant Related Party Transaction made by the Company during the year that would require shareholders' approval under the Listing Regulations.

Details of the transaction with Related Parties are provided in accompanying financial statement. There was no transaction during the year which would require to be reported in form no AOC-2.

XI. MATERIAL CHANGES AND COMMITMENTS
There have been no material changes which have occurred between the end of the financial year and the date of this report, affecting the financial position of the Company

XII. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE AS PERSECTION 134 (3) (m) OF THE COMPANIES ACT, 2013

CONSERVATION OF ENERGY:

Since the Company is not engaged in any manufacturing activity, issues relating to conservation of energy and technology absorption are not relevant to its functioning.

TECHNOLOGY ABSORPTION:

The Company has not imported any technology. Hence, the particulars withrespect to efforts made towards technology absorption and benefits derived, etc., are not applicable to the Company.

EXPORT ACTIVITIES:

There was no export activity in the Company during the year under review. The Company is not planning any exports in the near future as well.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

There were no Foreign Exchange earnings and outgo duringthe year under review.

XII. POLICIES AND CODE OF CONDUCT AND PROGRAMMEES

The Company has posted the following documents on its website:

1. Code of Conduct of Board of Directors
2. Code of conduct for Directors and senior management
3. Code of Internal procedure and conduct
4. Criteria for making payments to Non-Executive Directors
5. CSR Policy
6. Dividend Policy
7. Policy for determination of Materiality
8. Related Party Transactions Policy
9.Risk Management Policy
10. Terms and conditions for appointment of Independent Director
11. Whistle Blower Policy
12. Policy for determining material subsidiary

XIII. VIGIL MECHANISM POLICY

Pursuant to Section 177 of the Companies Act, 2013 and Regulation 22 of Listing Regulations, your Company has established a mechanism called 'Vigil Mechanism (Whistle Blower Policy) for Directors, employees and Stakeholders of the Company to report to the appropriate authorities about unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy and provides safeguards against victimisation of employees who avail the mechanism.

The Whistle Blower can directly approach the Chairperson of the Audit Committee of the Company and make protective disclosures about the unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct in exceptional circumstances

XIV. RISK MANAGEMENT

The Company has a robust Risk Management framework to identify, measure and mitigate business risks and opportunities.

This framework seeks to create transparency, minimise adverse impact on the business objective and enhance the Company's competitive advantage. This risk framework thus helps in managing market, credit and operations risks and quantifies exposure and potential impact at a Company level.

XV. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board, on recommendation of the Nomination and Remuneration Committee, has framed a policy on Directors' appointment and remuneration.

The policy, inter alia, provides

a. the criteria for determining qualifications, positive attributes and independence of directors and

b. policy on remuneration of directors, key managerial personnel and other employees.

The policy is directed towards a compensation philosophy and structure that will reward and retain talent and provides for a balance between fixed and incentive pay reflecting short and long-term performance objectivesappropriate to the working of the Company and its goals.

XVI. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

XVII. INTERNAL CONTROL SYSTEM

The Company has an internal control system commensurate with the scale, size and the operation of the organization.

It evaluates the adequacy of all internal controls and processes, and ensures strict adherence to clearly laid down processes and procedures as well as to the prescribed regulatory and legal framework.

XVIII. AUDITORS

The Board appointed M/s. Harsh Jain & Associates, Chartered Accountants, Durg, having ICAI Firm Registration No. 007639C, has re-appointment as the Statutory Auditors of the Company to hold the office for a period of five year from the conclusion of this 40th Annual General Meeting till the conclusion of 45th Annual General Meeting of the Company to be held in the year 2027.

However, M/s. Harsh Jain & Associates, Chartered Accountants, Durg, having ICAI Firm Registration No. 007639C, resigned w.e.f. November 17, 2025 and in place of him, **M/s. B. M. Gattani & Co., Chartered Accountants (FRN: 113536W)** has filled the casual vacancy raised due to the resignation of the previous auditor.

The Board of Directors of the Company has proposed the appointment of **M/s. B. M. Gattani & Co., Chartered Accountants (FRN: 113536W)** as Statutory Auditors of the Company for the next 5 Financial Years from this 44th Annual General Meeting to 49th Annual General Meeting to be held in FY 2031

XIX. ANNUAL EVALUATION

In terms of the provisions of the Act read with Rules issued thereunder and Listing Regulations, the Board of Directors in consultation with the Nomination and Remuneration Committee, has formulated a framework containing, inter alia, the criteria for performance evaluation of the entire Board of the Company, its committees and individual directors, for the **Financial Year 2025-26.** The Board Evaluation process was carried out to ensure that the Board and various Committees of the Board have an appropriate composition and they have been functioning collectively to achieve the business goals of the Company. Directors were evaluated on their contribution at Board/ Committee meetings and guidance & support to the management outside Board/Committee meetings and other parameters as specified by the Nomination and Remuneration Committee of the Company. The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees.

XX. AUDITORS' REPORT

Report of the Statutory Auditors on Annual Financial Statements along with schedules and notes to accounts thereto, for the year ended on 31st March, 2026, is self-explanatory and contains no adverse remark and does not call for any comments.

XXI. EXPLANATION TO AUDITOR'S REMARKS

The comments on the Auditor's Report are self-explanatory; thus, no explanation is required to be given.

XXII. INTERNAL FINANCIAL CONTROL

The Company has put in place adequate internal financial controls with reference to the financial statements, some of which are outlined below:

Your Company has adopted accounting policies which are in line with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 that continue to apply under Section 133 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. These are in accordance with generally accepted accounting principles in India.

Changes in policies, if any, are approved by the Audit Committee in consultation with the Auditors.

XXIII. CORPORATE GOVERNANCE

In terms of Regulation 15(2)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI LODR Regulations"), the compliance with the corporate governance provisions specified under Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26 and 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V to the SEBI LODR Regulations is not applicable to a listed entity having paid-up equity share capital not exceeding ₹10 crore and net worth not exceeding ₹25 crore, as on the last day of the previous financial year.

As on March 31, 2026, the paid-up equity share capital of the Company was below ₹10 crore and its net worth was below ₹25 crore. Accordingly, the aforesaid provisions relating to Corporate Governance under the SEBI LODR Regulations were not applicable to the Company during the financial year ended March 31, 2026, and consequently, the Company was not required to prepare and disclose a separate Corporate Governance Report.

Notwithstanding the above non-applicability, the Company has, during the financial year ended March 31, 2026, continued to exercise due care and diligence in maintaining appropriate standards of transparency, accountability and sound management practices, with a view to ensuring effective governance and safeguarding the interests of its stakeholders. The Company remains committed to adopting good corporate governance practices in its operations, decision-making processes and overall management.

In this regard, a Certificate in respect of the above is annexed to and forms an integral part of this Annual Report.

XXIV. SECRETARIAL AUDITOR AND THEIR REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules made thereunder, **M/s. Ajay Suresh Yadav,** a Company Secretaries Firm in Practice was appointed to conduct the secretarial audit for 5 years.

The **Secretarial Audit Report** in **MR-3**, submitted by the Secretarial Auditor for the FY **2025-26,** is annexed to the Directors' Report as **Annexure A.**

XXV. BOARD'S RESPONSE TO THE OBSERVATIONS/QUALIFICATIONS IN THE SECRETARIAL AUDIT REPORT

The Secretarial Auditors have submitted their report in form No. **MR-3** and qualified their opinion/observations in respect of the Secretarial Audit conducted for the **financial year 2025-26** and the Board's responses are given with respect to the qualification/ observation as follows:

The Company has overcome with the previous year's discrepancies w.r.t the Compliances. However, the management ensures to do all the compliance in future.

XXVI. COMPLIANCE OF SECRETARIAL STANDARDS

The Company has complied with the Secretarial Standard 1 **(SS-1)** relating to the meetings of the Board of Directors and Secretarial Standard 2 **(SS-2)** relating to the General meetings issued by the Institute of Company Secretaries of India and approved by the Central Government.

XXVII. PARTICULARS OF EMPLOYEES

A. The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of theCompanies (Appointment and remuneration of Managerial Personnel) Rules, 2014, are forming part ofthis report and is annexed as "**Annexure - B**" to this Report.

B. The statement containing particulars of employees as required under Section 197(12) of the

Companies Act, 2013, read with Rule 5(1) and Rule 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report. In terms of Section 136 of the Companies Act, 2013 the same is open for inspection at the Registered Office of the Company. Copies of this statement may be obtained by the members by writing to the Company Secretary.

C. There are no employees employed throughout the financial year in receipt of remuneration of one crore and two lakh rupees or more or employed for part of the year in receipt of eight lakh and fifty thousand rupees per month or more, to be reported under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

D. There are no employees employed throughout the financial year or part thereof, was in receipt of remuneration in that year, which, in the aggregate, is in excess of that drawn by the managing director and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

XXVIII. CORE SKILLS/EXPERTISE/COMPETENCIES

As stipulated under Schedule V of the Listing Regulations, 2015, core skills/expertise/competencies, the board has identified the skills/expertise/competencies for its effective functioning as required in the context of the business and sector, and those actually available with the Board.

XXIX. MANAGEMENT DISCUSSION & ANALYSIS REPORT

As stipulated under Regulation 34 read with Part B of Schedule V of Listing Regulations, the details pertaining to Internal Financial Control systems and their adequacy have been disclosed in the Management Discussion and Analysis Report forming part of this Annual Report.

XXX. COST AUDIT

Cost Audit specified under Section 148 of the Companies Act, 2013 does not apply to the Company since the turnover of the Company is less than the limit prescribed.

XXXI. LISTING

The equity shares of the Company are listed with BSE Limited with Scrip Code No. 539983.

XXXII. TRADING IN SHARES OF THE COMPANY

The Equity Shares of your Company are presently listed on BSE Limited (BSE).

XXXIII. CORPORATE SOCIAL RESPONSIBILITY

As the provisions relating to the Corporate Social Responsibility (CSR) as prescribed under **Section 135** of the Companies Act, 2013, along with Rules made thereunder, are not applicable to our Company and therefore, neither the CSR Committee nor the CSR Policy are required to be framed by the Company.

XXXIV. GREEN INITIATIVES

Electronic copies of the **Annual Report 2025-26,** along with the **Notice** of the **44th AGM,** are sent to all members whose email addresses are registered with the Company/depository participants. For members who have not registered their email addresses, physical copies are sent in the permitted mode.

XXXV. FRAUD REPORTING (REQUIRED UNDER THE COMPANIES (AMENDMENT) ACT, 2015)

The Auditors of the Company have not observed any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013.

XXXVI. DETAILS OF APPLICATION / ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

Neither any application was made nor any proceeding pending under the **Insolvency and Bankruptcy Code, 2016** (31 of 2016) during the financial year under review.

XXXVII. DETAILS OF DIFFERENCE BETWEEN THE AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS, ALONG WITH THE REASONS THEREOF

As the Company has not done any one-time settlement during the year under review hence no disclosure is required.

XXXVIII. DIRECTORS' RESPONSIBILITY STATEMENT

As required under clause (c) of sub-section (3) of section 134 of the Act, the directors of your Company, to the best of their knowledge and belief, state that:

1. In the preparation of the annual accounts for the financial year ended on **31 March 2026,** the applicable accounting standards had been followed along with a proper explanation relating to material departures;

2. They have selected such accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at **31 March 2026** and of the profit and loss of your Company for the financial year ended **31 March 2026;**

3. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

4. the annual accounts for the financial year ended on **31 March 2026** have been prepared on a going concern basis;

5. they have laid down internal financial controls to be followed by the Company and that, to the best of their knowledge, examination and analysis, such internal financial controls have been adequate and were operating effectively and

6. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that, to the best of their knowledge, such systems were adequate and were operating effectively.

XXXIX. ORDERLY SUCCESSION TO BOARD AND SENIOR MANAGEMENT

One of the key functions of the Board of Directors is selecting, compensating, monitoring and, when necessary, replacing the members of the Board of Directors and the senior managerial personnel, including the KMPs. Further, the Nomination and Remuneration Committee is instrumental in identifying successors for Board members and senior management, thereby aligning the succession plans with the Company’s strategic and long-term goals.

Pursuant to regulation **17(4)** of the Listing Regulations, 2015, the framework of succession planning for the Board and senior management was placed before the Board for its review. During the year under review, the Board of the Company has satisfied itself that the plans are in place for the orderly succession of such appointments.

XL. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has set up Committee for safety of women employees at workplace. During the year Company has not received any complaint of harassment.

S. NO	Particulars	Status
1	Number of complaints of sexual harassment received during the financial year	0
2	Number of complaints disposed of during the financial year	0
3	Number of complaints pending for more than 90 days as at the end of the financial year	0
4	Number of complaints pending for more than 90 days as at the end of the financial year	0
5	Has the Company complied with the provisions relating to the constitution of the Internal Complaints Committee under the Act?	Yes

XLI. GENDER-WISE EMPLOYEE STRENGTH (AS ON MARCH 31, 2026)

S. No.	Gender	No. of Employees
1	Male	2
2	Female	1
3	Transgender	0
	Total	**3**

XLII. MATERNITY BENEFIT ACT 1961

"The Company confirms that it is in compliance with the applicable provisions of the Maternity Benefit Act, 1961, including provisions relating to maternity leave, nursing breaks, and the establishment of crèche facilities, wherever required."

ACKNOWLEDGEMENT

"Your directors place on the record their sincere appreciation for the significant contribution made by the employees through their dedication, hard work and commitment, and the trust reposed in them and also acknowledge with gratitude the excellent cooperation extended by Bankers and Vendors. They are looking forward to their support in all future endeavours."

For Hem Holdings and Trading Limited

SD/-

Ravi Manoharlal Kharwad
Managing Director
DIN:02079606

SD/-

Shubham Arvind Kumar Jain
Director
DIN:10985882

FORM NO. MR-3 SECRETARIAL AUDIT REPORT

for the financial year ended March 31, 2026

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

To,
The Members,
Hem Holdings and Trading Limited
Unit No. V-348, The Centrium, 3rd Floor,
Kurla Kirol, L.B.S. Marg, Mumbai-400070,

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Hem Holdings and Trading Limited (hereinafter called as "the Company") for the financial year ended on March 31, 2026 (hereinafter called as the "period under review"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliance and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents, and authorised representatives during the conduct of the Secretarial Audit, and subject to the letter annexed herewith, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026, complied with the applicable statutory provisions listed hereunder, and also that the Company has proper Board processes and compliance mechanisms in place subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Hem Holdings and Trading Limited for the financial year ended on 31 March 2026, according to the provisions of:

1. The Companies Act, 2013 (the 'Act') and the rules made thereunder;

2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings**;(Not applicable during period under review**)

5. The following Regulations and Guidelines are prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable: -

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018**;**
d. The Securities and Exchange Board of India (Share-Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021**;(Not applicable during period under review)**
e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021**;(Not applicable during period under review)**
f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025, regarding the Companies Act and dealing with clientsThe Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021**;(Not applicable during period under review)**

g. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **(Not applicable during period under review)** and
h. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
i. The Securities and Exchange Board of India (Depositories and Participants) Regulation, 2018

6. Reserve Bank of India (Non-Banking Financial Companies – Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025, following points are to be focused on:

- It was observed that the Company had not maintained the prescribed Net Owned Fund as required under the applicable provisions of the RBI Scale Based Regulation Directions during the period under review. In view of its inability to meet the prescribed Net Owned Fund requirement, the Company has initiated the process for surrender of its Certificate of Registration as a Non-Banking Financial Company, subject to approval of the Reserve Bank of India.

- Further, during the period under review, there was a change in the management/composition of the Board of Directors of the Company, resulting in a change in the management beyond the permissible limit prescribed under the applicable provisions of the Reserve Bank of India (Non-Banking Financial Companies – Governance) Directions, 2025. The Company was required to obtain the prior written approval of the Reserve Bank of India before giving effect to such change in management; however, the requisite prior approval of the Reserve Bank of India was not obtained.

The aforesaid matters have been considered while reporting on the compliance status of the Company for the period under review.

Accordingly, the above instances of non-compliance have been reported as **observations** in this Secretarial Audit Report.

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

i. Secretarial Standards pursuant to section 118(10) of the Act, issued by the Institute of Company Secretaries of India.

ii. Listing Agreements entered into by the Company with BSE Ltd. read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, as per the explanations and clarifications given to me and the representations made by the management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards mentioned above, except for the following:

- It was observed that in respect of the 43rd Annual General Meeting and the Extra-Ordinary General Meeting held during the financial year 2025-26, the Company had not complied with the applicable requirements relating to publication of newspaper advertisements. In respect of the Extra-Ordinary General Meeting, the Notice was dispatched to the shareholders on February 13, 2026, whereas the pre-dispatch newspaper advertisement was published subsequently on February 14, 2026. Further, the Company had not published the requisite post-dispatch newspaper advertisement as required under Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014. Similar non-compliance was also observed in respect of the 43rd Annual General Meeting of the Company.

I further report,

- the Board of Directors of the Company is duly constituted with a proper balance of executive directors, non-executive directors and independent directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notices were given to all directors to schedule the Board Meetings including Committees thereof, along with the agenda and detailed notes on the agenda at least seven days in advance (except for meeting(s) convened at shorter notice) and a system exists for seeking and obtaining

further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting by the directors. The decisions at the meeting were carried unanimously.

I have not examined compliance by the Company with respect to applicable financial laws, like direct and indirect tax laws, maintenance of financial records, etc., since the same have been subject to review by statutory (financial) auditors, tax auditors and other designated professionals.

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

I further report that during the audit period, pursuant to the Notice dated February 13, 2026, the Company sought approval of its members at the Extra-Ordinary General Meeting held on March 12, 2026 for surrender of the Certificate of Registration issued by the Reserve Bank of India for carrying on the business of a Non-Banking Financial Company (NBFC), subject to the approval of the Reserve Bank of India. Except for the aforesaid, there was no other event/action having a major bearing on the affairs of the Company.

For Ajay Yadav & Associates,
Company Secretaries

SD/-

Ajay Yadav
Proprietor
M. No.: A75958
C.P. No.: 27919
UDIN: A075958H001274364
Peer Review No: 6676/2025
Date:31.08.2026
Place: Mumbai

Annexure to the Secretarial Audit Report

To,
The Members,
Hem Holdings and Trading Limited
Unit No. V-348, The Centrium, 3rd Floor,
Kurla Kirol, L.B.S. Marg, Mumbai-400070,

My Secretarial Audit report for the even date is to be read along with this letter.

1. Maintenance of the Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on a test basis to ensure that the correct facts are reflected in the Secretarial records. I believe that the process and practices I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of the financial records and Books ofAccounts of the Company.

4. Wherever required, I have obtained the Management Representation about the Compliance with laws, rules and regulations and the happening of events, etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Ajay Yadav & Associates,
Company Secretaries

SD/-

Ajay Yadav
Proprietor
M. No.: A75958
C.P. No.: 27919

UDIN: A075958H001274364
Peer Review No: 6676/2025
Date:31.08.2026
Place:Mumbai

ANNEXURE-B

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required under Section 197(12) of the Companies Act, 2013, read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014,is given below:

1. **The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year**: During the year under review the no remuneration is given to the Managing Director, Chief Financial Officer, Company Secretary and Compliance Officer and Accountant of the Company. The remuneration between the MD and CFO and Company Secretary and Compliance Officer, and Accountant is nil.
2. **The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year**: Not Applicable, there is no increase in the remuneration of the Company Secretary and any Directors of the Company during the year or the CEO, CFO, etc.
3. **The percentage increase in the median remuneration of employees in the financial year**: NA as there is no increase in the remuneration of employees.
4. **The number of permanent employees on the rolls of the company**: 3.
5. **Average percentile increase already made in the salaries of employees other thanthe managerial personnel in the last financial year, and its comparison with the percentile increase in the managerial remuneration and justification thereof, and point out if there are any exceptional circumstances for an increase in the managerial remuneration:** Nil
6. **The key parameters for any variable component of remuneration availed by the directors:** Nil
7. **Affirmation that the remuneration is as per the remuneration policy of the company:** It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

DISCLOSURE UNDER RULE 5 (2) & (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OR MANAGERIAL PERSONNEL) RULES, 2014

A. Details of the Top ten employees in terms of remuneration drawn:

Name & Designation	**Remuneration per month**	**Nature of Employment**	**Date of commencement of Employment**	**Whether related to the Director or Manager**
Mr. Ravi Manoharlal Kharwad (Managing Director)	-	WHOLE TIME	16/12/2025	NO
Mr. Ravi Manoharlal Kharwad (Chief Financial Officer)	-	WHOLE TIME	05/03/2026	NO
Ms. Taruna Gupta (Company Secretary and Compliance Officer)	-	WHOLE TIME	17/11/2026	NO

B. Details of other employees under the aforesaid Rules: Nil.

C. Statement showing the name of every employee of the company, who:

- if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees; None
- if employed for a part of the financial year, was in receipt of remuneration for any partof that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month; No
- if employed throughout the financial year or part thereof, was in receipt of remuneration inthat year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percentof the equity shares of the company – None

For Hem Holdings and Trading Limited

SD/-

Ravi Manoharlal Kharwad
Managing Director
DIN:02079606

SD/-

Shubham Arvind Kumar Jain
Director
DIN:10985882

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

OVERVIEW

This Management Discussion and Analysis (MD&A) aims to provide a comprehensive narrative through the lens of the Company's management, offering insights into operational performance, financial position, and strategic outlook. Prepared in accordance with Regulation 34(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Schedule V(B) thereto, this Report is intended to supplement the audited financial statements of the Company for the financial year ended March 31, 2026. It should therefore be read in conjunction with the accompanying financial statements and the notes forming part thereof, to facilitate a holistic

understanding of the Company's overall performance and direction.

ECONOMIC OVERVIEW

India's economy sustained its strong growth trajectory in FY 2025–26, underpinned by resilient domestic demand, policy-driven reforms, and robust public capital expenditure. Preliminary estimates from the Ministry of Finance indicate that the real GDP growth for FY 2025–26 is projected to be around 7%, maintaining India's position as one of the fastest-growing major economies globally. This growth was bolstered by continued government thrust on infrastructure, with capital expenditure allocations rising steadily across sectors such as transportation, energy, and digital infrastructure. Key initiatives such as the expansion of urban housing schemes for middle-income groups and support for micro, small and medium enterprises (MSMEs) played a pivotal role in broad-based economic participation.

The manufacturing sector witnessed recovery led by easing global commodity prices and improved supply chain efficiency. Meanwhile, the services sector—especially financial, IT, and real estate—registered robust performance, driven by strong domestic demand and technological adoption. The agricultural sector showed modest gains, supported by a largely normal monsoon and rural-focused government schemes.

India's external sector faced mixed trends. While exports experienced pressure due to subdued demand from advanced economies, this was partly offset by a recovery in services exports and inward remittances. Imports remained elevated due to firm domestic demand, resulting in a current account deficit estimated at around 1.7% of GDP. Foreign direct investment flows remained stable, with increased interest in infrastructure, digital services, and green energy.

On the fiscal front, the government continued its path of fiscal consolidation, targeting a fiscal deficit of 5.1% of GDP for FY 2025–26, down from 5.8% in the previous year. This reflects improved revenue collections, disinvestment receipts, and prudent expenditure management, allowing more headroom for private sector credit expansion.

According to the Ministry of Finance's outlook, India remains on track to become a USD 5 trillion economy by FY 2027, with the potential to scale up to USD 7 trillion by 2030, provided current structural and macroeconomic trends continue. Contributing factors include a growing digital economy, expanded physical infrastructure, improved ease of doing business, and a favourable demographic dividend**.**

While the outlook remains positive, risks such as global geopolitical tensions, oil price volatility, and climate-related disruptions to agriculture continue to warrant close monitoring. Nonetheless, with a stable political framework, sound macroeconomic policies, and a clear reform agenda, India is well positioned to sustain momentum into FY 2026–27 and beyond.

For Hem Holdings and Trading Limited, a Non-Banking Financial Company – Investment and Credit Company (NBFC-ICC) registered with the Reserve Bank of India, the economic climate in FY 2025–26 was largely conducive to steady growth. The easing of inflation, accommodative monetary policy, and rising rural and semi-urban consumption patterns supported demand for retail and small-ticket credit, especially in the vehicle financing and short-term working capital segments where the Company is actively engaged. Continued regulatory clarity and a stable interest rate regime further enhanced access to funding, while digital transformation across the financial services sector enabled greater operational efficiency and customer outreach. As an NBFC-ICC, Hem Holdings and Trading Limited remains committed to expanding its presence across underserved markets, strengthening its asset quality, and delivering responsible and scalable credit solutions aligned with its long-term strategic goals.

INDUSTRY STRUCTURE AND DEVELOPMENT – OVERVIEW

The global Non-Banking Financial Company (NBFC) market is poised for significant expansion over the forecast period from 2024 to 2031, driven by increasing financial inclusion, digital transformation in lending practices, and evolving credit demands across emerging economies. Having demonstrated steady growth in preceding years, the sector is expected to accelerate as regulatory frameworks mature and market participants adopt technology-led innovations to serve broader demographic segments.

In India, the NBFC sector continues to play an essential role in the financial ecosystem by catering to segments often underserved by traditional banking institutions. These include retail borrowers, small and medium enterprises, and consumers in semi-urban and rural areas. The sector has witnessed remarkable growth over the past decade, underpinned by structural reforms, enhanced regulatory oversight, and rising demand for flexible, accessible credit solutions. The growing integration of digital platforms in origination, underwriting, and collections is further transforming the sector, enabling better risk assessment, faster disbursement, and wider outreach.

India's long-term vision to emerge as a developed economy by 2047 is intrinsically linked to the creation of world-class, climate-resilient infrastructure. In FY 2024, the government allocated approximately 3.3% of GDP to infrastructure, underscoring its commitment to building inclusive, sustainable cities and transport systems. Roads and highways continue to receive the largest share of investment, followed by railways and urban public transport.

The budgetary outlay for infrastructure-related ministries rose from about INR 3.7 lakh crore in FY 2022–23 to INR 5 lakh crore in FY 2023–24, offering abundant opportunities for private sector participation across multiple sub-sectors. Public-Private Partnerships (PPPs) have emerged as a preferred model for delivering infrastructure projects, particularly in transportation and logistics. The policy environment continues to encourage private investment through targeted schemes and facilitative reforms aimed at improving ease of doing business.

While industrial growth remains concentrated in infrastructure, retail, and services, innovation across high-technology sectors is still evolving. Efforts in MSME cluster development have gained traction, fostering grassroots-level entrepreneurship and competitiveness. However, the linkage between research institutions, academia, and industry remains an area requiring further strengthening. Private enterprises—especially non-MNCs—have exhibited higher innovation intensity compared to

government-owned firms or multinational subsidiaries focused on global mandates.

India's GDP is projected to grow by approximately 6.5% in 2024, supported by resilient domestic consumption, public investment, and rising exports. The strategic shift by multinational corporations to diversify their manufacturing supply chains into India is expected to provide a further boost to the industrial and export landscape.

OPPORTUNITIES, THREATS, RISKS AND CONCERNS

FY 2025–26 witnessed a cautiously optimistic environment for the non-banking financial sector. A stable interest rate regime, resilient GDP growth, and easing inflation created favourable conditions for credit expansion and improved financial intermediation. Continued emphasis by the government on infrastructure development and digital transformation presented meaningful opportunities for NBFCs to deepen market penetration and enhance customer engagement through technology-driven platforms.

The role of NBFCs in India's financial system has grown significantly over the past decade. In 2013, NBFCs accounted for approximately one-sixth of the total volume of credit extended by banks.

Today, that share has increased to nearly one-fourth, underscoring the sector's increasing relevance and penetration. These functions serve as the institutional safeguards ensuring that growth does not come at the expense of sound governance or regulatory non-compliance. The Reserve Bank of India continues to actively engage with NBFCs on matters concerning governance, operational prudence, and systemic safety. It has underscored the critical role played by assurance functions in fostering an ethical, stable, and resilient financial ecosystem.

For NBFCs, reinforcing these pillars is not only a regulatory necessity but also a strategic imperative for building long-term trust and sustainability. Hem Holdings and Trading Limited, in alignment with industry best practices, remains committed to maintaining a robust risk governance framework, enhancing operational resilience, and continuously evolving its technology and credit infrastructure. The Company recognises that sustainable growth must be underpinned by disciplined risk management, strong internal controls, and a culture of compliance at every level of operation.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper and adequate system of internal control in all spheres of its activities to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized, recorded and reported diligently.

The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines. Also, the Company has an adequate system of internal control to ensure that the resources are used efficiently and effectively so that:

• Assets are safeguarded and protected from unauthorised use or disposition.

• All significant transactions are authorised, recorded and reported correctly.

• Financial and other data are reliable for preparing financial information.

• Other data are appropriate for maintaining the accountability of assets.

The internal control system is supplemented by an extensive internal audit programme, review by management, documented policies, guidelines and procedures

Key strategic goals include expanding the national highway network to 2 lakh kilometres by 2025, increasing the number of operational airports to 220, operationalising 23 inland waterways by 2030, and developing 35 Multi-Modal Logistics Parks (MMLPs).

NBFCs have emerged as vital credit enablers for underserved segments, particularly small businesses, rural borrowers, and self-employed individuals, due to their agility, customer-centric models, and physical outreach capabilities. The rapid adoption of digital solutions has further enhanced credit assessment, turnaround times, and portfolio scalability.

However, this transformation has also introduced new dimensions of systemic risk, especially in terms of increased interlinkages with banks and financial markets. The Reserve Bank of India has intensified its supervisory focus on the sector to ensure that growth is accompanied by commensurate governance and risk management standards. Managing concentration risks, funding mismatches, and exposure thresholds has become critical to preserving financial stability and institutional resilience.

Cybersecurity has emerged as a foremost operational risk in the digital age. NBFCs face persistent threats in the form of data breaches, malware intrusions, ransomware attacks, and phishing schemes. These cyber incidents not only jeopardise operational continuity but can also lead to reputational harm, regulatory scrutiny, and financial loss. A proactive, enterprise-wide approach to cybersecurity is now imperative. This includes the deployment of advanced protection systems such as firewalls, encryption protocols, intrusion detection tools, and continuous monitoring frameworks. In addition, fostering a culture of cybersecurity awareness through employee training and regular audits has become essential to mitigating these risks.

The increasing adoption of rule-based credit engines and automated underwriting tools is another notable trend across the sector. While such models enhance efficiency and scalability, overdependence on algorithmic decision-making carries the risk of overlooking contextual credit nuances, especially in evolving or volatile market conditions. NBFCs must therefore invest in the continuous validation of their credit models and ensure that decision-making frameworks are supplemented by qualitative judgement and human oversight.

Liquidity risk remains a core area of concern, particularly arising from reliance on limited funding sources and maturity mismatches in asset-liability management. As NBFCs grow in scale and complexity, strengthening internal assurance functions—including risk management, compliance, and internal audit—is imperative.

FINANCIAL AND OPERATIONAL PERFORMANCE/ SEGMENT-WISE OR PRODUCT WISE PERFORMANCE

The Company is a Non-Banking Finance Company (NBFC). It has only one segment in the Company. Please refer Directors' Report for financial performance.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT NUMBER OF PEOPLE EMPLOYED

Your Company has cordial relations with its employees. The Company commends the commitment, dedication and competence shown by its employees in all aspects of business. With the growing requirements of the Company, Company has taken necessary initiatives to ensure not only the retention of the employees but also their growth and development.

FUTURE OUTLOOK

During FY 2025–26, the Non-Banking Financial Companies (NBFC) sector in India continued to build on its remarkable trajectory, firmly cementing its position as a key pillar within the country's financial ecosystem. Over the years, the sector has undergone notable transformation, with verticals such as housing finance, microfinance, and consumer lending serving as prominent drivers of its sustained expansion. This growth was supported by a broadening middle class, increased emphasis on financial inclusion, and a series of enabling policy interventions.

NBFCs, backed by strong operational fundamentals and adaptive business models, were well positioned to seize emerging opportunities despite an evolving regulatory landscape. A significant shift was observed in the composition of loan portfolios, with the share of unsecured retail loans having increased from 15% to 25% over the last decade. Although regulatory tightening around unsecured consumer credit introduced certain capital implications, the sector demonstrated resilience, with industry forecasts projecting a 14% compounded growth over the ensuing two years.

Specifically, NBFC Assets Under Management (AUM) were estimated to have grown by 16–18% in FY 2023–24 and by 14–17% in FY 2024–25, crossing the INR 32 trillion mark by March 2025. Unsecured loans accounted for approximately 12–14% of total AUM, growing at a moderate pace due to recent regulatory recalibrations.

Nevertheless, the sector remained fundamentally strong, characterised by prudent provisioning coverage for Stage 2 and Stage 3 assets, low leverage levels, and a readiness to support broad-based credit expansion.

Additionally, the industry witnessed significant diversification, with more than half of NBFCs venturing into new product segments. Profitability held steady, underpinned by controlled credit costs and stable operating expense ratios, which contributed to a healthy financial outlook.

NBFCs played a transformative role in the Indian financial landscape by bridging gaps left by traditional banking institutions and offering customised solutions to underserved sectors. Their contribution to micro, small, and medium-sized enterprises (MSMEs) continued to be critical, with growing credit penetration enabling grassroots economic development. As per Reserve Bank of India data, the NBFC share in total credit extended to the economy rose markedly—from 16.4% in December 2022 to 29.1% by February 2023—underscoring the sector's expanding footprint.

According to estimates by Research and Markets, the NBFC sector was projected to grow at a CAGR of 18.5% between 2021 and 2026. FY 2025–26 reaffirmed the sector's role as a driver of inclusive financial growth, supporting India's economic ambitions while reinforcing its position as a trusted enabler for individuals and enterprises alike.

CAUTIONARY STATEMENT

The Board of Directors have reviewed the Management Discussion and Analysis prepared by the Management. Statements in this report of the Company's objective, projections, estimates, expectations, and predictions are forward-looking statements subject to the applicable laws and regulations. The statements may be subject to certain risks and uncertainties. The company's operations are affected by many external and internal factors which are beyond the control of the management.

Thus, the actual situation may differ from those expressed or implied. The Company assumes no responsibility in respect of forward-looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.

ACKNOWLEDGEMENT

Your directors take this opportunity to place on record their appreciation to all employees for their hard work, spirited efforts,dedication and loyalty to the Company.

For Hem Holdings and Trading Limited

SD/-	**SD/-**
Ravi Manoharlal Kharwad **Managing Director** **DIN:02079606**	**Shubham Arvind Kumar Jain** **Director** **DIN:10985882**

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

Regulation 34(3) read with Schedule V Para-C Clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members,
Hem Holdings and Trading Limited
Unit No. V-348, The Centrium, 3rd Floor,
Kurla Kirol, L.B.S. Marg, Mumbai-400070,

I have examined the relevant registers, records, forms, returns and disclosures received from directors of Hem Holdings and Trading Limited having CIN: L65990MH1982PLC026823 and having registered office at Unit No. V-348, The Centrium, 3rd Floor, Kurla Kirol, L.B.S. Marg, Mumbai-400070. (hereinafter referred to as "the Company") produced before me by the Company for the purpose of issuing this certificate, in accordance with regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company and its officers and representation given by the management, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

S. No	DIN	Name of Director	Date of Appointment in the Company
1	02079606	Ravi Manoharlal Kharwad	16/12/2025
2	11059678	Rinku Saini	11/08/2025
3	10985882	Shubham Arvind Kumar Jain	01/10/2025
4	10101174	Himanshu Agarwal	01/10/2025
5	10820579	Jubin Premji Gada	01/10/2025

It is solemnly the responsibility of Directors to submit relevant declarations and disclosures with complete and accurate information in compliance with the relevant provisions. Further, ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Ajay Yadav & Associates,
Company Secretaries

SD/-

Ajay Yadav
Proprietor
M. No.: A75958
C.P. No.: 27919
UDIN: A075958H001274210
Peer Review No: 6676/2025
Date:31.08.2026
Place: Mumbai

COMPLIANCE WITH CODE OF CONDUCT

(Under Regulations 26(3) Of SEBI (LODR) Regulations, 2015)

To,
The Members,
Hem Holdings and Trading Limited
Unit No. V-348, The Centrium, 3rd Floor,
Kurla Kirol, L.B.S. Marg, Mumbai-400070,

The Company has adopted "Code of Conduct for Directors and Senior Management Personnel and also for Independent Directors".

In accordance with Regulations 26(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby certify that Members of Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct applicable to Board of Directors and Senior Management, for the year ended March 31, 2026.

For Hem Holdings and Trading Limited

SD/-

Ravi Manoharlal Kharwad
Managing Director
DIN: 02079606
Date: 01.09.2026
Place: Mumbai

CERTIFICATE BY CHIEF FINANCIAL OFFICER

(Under Regulation 17(8) Of SEBI (LODR) Regulations, 2015)

To,
The Members,
Hem Holdings and Trading Limited
Unit No. V-348, The Centrium, 3rd Floor,
Kurla Kirol, L.B.S. Marg, Mumbai-400070,

In relation to the Audited Financial Accounts of the Company as at March 31, 2026, we hereby certify that:

a) We have reviewed the financial statements and the cash flow statement for the year and that to the best of our knowledge and belief.

i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee:

i) Significant changes in internal control over financial reporting during the year;

ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting

For Hem Holdings and Trading Limited

SD/-

Ravi Manoharlal Kharwad
Chief Financial Officer
Date:01.09.2026
Place: Mumbai

CORPORATE GOVERNANCE CERTIFICATE

(In pursuance of chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Hem Holdings and Trading Limited
Unit No. V-348, The Centrium, 3rd Floor,
Kurla Kirol, L.B.S. Marg, Mumbai-400070,

I have examined the corporate governance practices adopted by Hem Holdings and Trading Limited for the year ended March 31, 2026.

The provisions relating to Corporate Governance as stipulated under Regulations 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not mandatorily applicable to the Company. However, the Company, as a matter of good Corporate Governance practice, has voluntarily endeavoured to follow the principles and practices of Corporate Governance, wherever considered applicable and appropriate.

The adoption and implementation of corporate governance practices is the responsibility of the Management. My examination was limited to the procedures and implementation thereof adopted by the Company in relation to such corporate governance practices. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has followed the principles and practices of Corporate Governance during the year under review, to the extent considered applicable and appropriate to the Company.

I state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Stakeholders Relationship Committee.

I further state that the adoption and observance of such corporate governance practices is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Ajay Yadav & Associates,
Company Secretaries

SD/-

Ajay Yadav
Proprietor
M. No.: A75958
C.P. No.: 27919
UDIN: A075958H001274837
Peer Review No: 6676/2025
Date:31.08.2026
Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To the Members of HEM Holdings & Trading Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of HEM Holdings & Trading Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2026, 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 (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2026, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 34.1 to the standalone financial statements, which describes the position of the Company with regard to the minimum net owned fund requirement prescribed by the Reserve Bank of India under Section 45-IA of the Reserve Bank of India Act, 1934. The net owned funds of the Company as at 31st March, 2026 amount to ₹1.55 crore, as against the requirement under the glide path notified by the Reserve Bank of India to achieve net owned funds of ₹5 crore by 31st March, 2025 and ₹10 crore by 31st March, 2027 for a Non-Banking Financial Company classified as an Investment and Credit Company. The note also describes the steps that the Company proposes to take in this regard. The eventual outcome of these steps, and the consequences of any action that the Reserve Bank of India may take in respect of the Certificate of Registration held by the Company, cannot presently be determined.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including annexures thereto, the Management Discussion and Analysis and the Report on Corporate Governance, but does not include the standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available 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.

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

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 Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Charged with Governance are also responsible for overseeing the Company's financial reporting process.

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

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

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor’s Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that the audit trail (edit log) facility of the accounting software used by the Company for maintaining its books of account is required to be, and has been reported upon, in paragraph (i)(vi) below.

(c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

(e) On the basis of the written representations received from the directors as on 31st March, 2026 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

(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 standalone financial statements of the Company and the operating effectiveness of such controls, we give our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls with reference to standalone 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 read with Schedule V thereto. The remuneration paid to any director is not in excess of the limits laid down under Section 197 of the Act, and the Ministry of Corporate Affairs has not prescribed any other details under Section 197(16) which are required to be commented upon by us.

(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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements — refer Note 25 to the standalone financial statements.

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

(iii) There was no amount which was required to be transferred to the Investor Education and Protection Fund by the Company during the year.

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

(b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on such audit procedures as 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-clauses (a) and (b) above contain any material misstatement.

(v) The Company has neither declared nor paid any dividend during the year. Accordingly, reporting on compliance with Section 123 of the Act does not arise.

(vi) Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended 31st March, 2026 which has a feature of recording audit trail (edit log) facility, and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For B. M. Gattani & Co.

Chartered Accountants

Firm Registration No. 113536W

SD/-

Balmukund Gattani

Partner

Membership No. 047066

UDIN: 26047066WSUHJD6389

Place: Mumbai

Date: 27th May, 2026

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date to the members of HEM Holdings & Trading Limited on the standalone financial statements for the year ended 31st March, 2026)

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

(i) Property, Plant and Equipment and Intangible Assets

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(a) (B) The Company does not have any intangible assets. Accordingly, reporting under clause 3(i)(a)(B) of the Order is not applicable.

(b) The Property, Plant and Equipment of the Company have been physically verified by the management during the year in accordance with a programme of verification which, in our opinion, provides for physical verification of all the Property, Plant and Equipment at reasonable intervals having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us, the title deeds of all immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company. We further report that the immovable property having a carrying value of ₹28.20 lakhs, which is classified as a non-current asset held for sale, continues to be held in the name of the Company as at the reporting date.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) or intangible assets during the year. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable.

(e) According to the information and explanations given to us, no proceeding has been initiated or is pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and the rules made thereunder. Accordingly, reporting under clause 3(i)(e) of the Order is not applicable.

(ii) Inventory and Working Capital Limits

(a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us, at no point of time during the year has the Company been sanctioned any working capital limit in excess of ₹5 crore, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) Investments, Guarantees, Security and Loans and Advances in the Nature of Loans

During the year the Company has granted loans and advances in the nature of loans to companies. The Company has not made any investment in, or provided any guarantee or security to, any company, firm, limited liability partnership or any other party during the year.

(a) The Company's principal business is to give loans. Accordingly, reporting under clause 3(iii)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of all loans and advances in the nature of loans are, prima facie, not prejudicial to the interest of the Company.

(c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts of principal and interest have been regular.

(d) According to the information and explanations given to us, there is no amount overdue for more than ninety days in respect of loans or advances in the nature of loans granted by the Company as at 31st March, 2026.

(e) The Company being a Non-Banking Financial Company registered with the Reserve Bank of India, reporting under clause 3(iii)(e) of the Order is not applicable.

(f) According to the information and explanations given to us, the Company has [not granted / granted] any loan or advance in the nature of loan which is repayable on demand or without specifying any terms or period of repayment. [Where such loans exist, specify the aggregate amount, the percentage thereof to the total loans granted, and the aggregate amount of such loans granted to Promoters and to related parties as defined in clause (76) of Section 2 of the Companies Act, 2013.]

(iv) Compliance with Sections 185 and 186

In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 of the Act in respect of loans granted, and investments made. The provisions of Section 186 of the Act, in so far as they relate to loans made, guarantees given and security provided, are not applicable to the Company, it being a Non-Banking Financial Company registered with the Reserve Bank of India whose principal business is the acquisition of securities, in terms of sub-section (11) of Section 186. The Company has complied with the provisions of Section 186 of the Act to the extent applicable in respect of investments made.

(v) Deposits

According to the information and explanations given to us, the Company has not accepted any deposit or amount which is deemed to be a deposit within the meaning of Sections 73 to 76 or any other relevant provision of the Act and the rules made thereunder.

(vi) Cost Records

The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of the business activities carried on by the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii) Statutory Dues

(a) 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 generally been regular in depositing undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues applicable to it with the appropriate authorities, save as stated below. There were no undisputed amounts payable in respect of the aforesaid dues which were in arrears as at 31st March, 2026 for a period of more than six months from the date they became payable..

(b) According to the information and explanations given to us, there is no statutory due referred to in sub-clause (a) above which has not been deposited on account of any dispute.

(viii) Unrecorded Transactions Surrendered as Income

According to the information and explanations given to us, there is no transaction which was not recorded in the books of account which has been surrendered or disclosed as income during the year in any tax assessment under the Income-tax Act, 1961.

(ix) Default in Repayment of Borrowings

(a) According to the information and explanations given to us, the Company has not defaulted in the repayment of any loan or other borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us, the Company has not been declared a wilful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, no term loan was obtained by the Company during the year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) On an overall examination of the standalone financial statements of the Company, no funds raised on a short-term basis have been utilised for long-term purposes.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable.

(x) Utilisation of Moneys Raised by Public Offer and Preferential Allotment

(a) The Company has not raised any money by way of an initial public offer or a further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.

(b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable.

(xi) Fraud

(a) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company nor any fraud on the Company that has been noticed or reported during the year, nor have we been informed of any such case by the management.

(b) No report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and up to the date of this report.

(c) According to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaint was received by the Company during the year.

(xii) Nidhi Company

The Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order is not applicable.

(xiii) Related Party Transactions

In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of such transactions have been disclosed in the standalone financial statements as required by Indian Accounting Standard 24 "Related Party Disclosures" — refer Note 29 to the standalone financial statements.

(xiv) Internal Audit System

(a) In our opinion and according to the information and explanations given to us, the Company, being a listed company, is required to appoint an internal auditor in terms of Section 138 of the Act read with Rule 13 of the Companies (Accounts) Rules, 2014. Based on our examination of the records of the Company, the Company have an internal audit system commensurate with the size and nature of its business during the year ended 31st March, 2026.

(xv) Non-cash Transactions with Directors

In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transaction with any director or any person connected with a director. Accordingly, the provisions of Section 192 of the Act are not applicable and reporting under clause 3(xv) of the Order is not applicable.

(xvi) Registration under Section 45-IA of the Reserve Bank of India Act, 1934

(a) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained a valid Certificate of Registration from the Reserve Bank of India.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activity without a valid Certificate of Registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company ("CIC") as defined in the regulations made by the Reserve Bank of India, and does not fulfil the criteria of a CIC. Accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and as represented by the management, the Group does not have any Core Investment Company as part of the Group.

(xvii) Cash Losses

The Company has not incurred any cash loss during the financial year covered by our audit.

(xviii) Resignation of Statutory Auditors

There has been no resignation of the statutory auditors of the Company during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable.

(xix) Material Uncertainty in Meeting Liabilities

On the basis of the financial ratios disclosed in Note 37 to the standalone financial statements, the ageing and the expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors' and management's 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 the Company is not capable of meeting its liabilities existing as at the date of the 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. Attention is drawn to the Emphasis of Matter paragraph in our report of even date regarding the net owned funds of the Company.

(xx) Corporate Social Responsibility

(a) The provisions of Section 135 of the Act are not applicable to the Company for the year under audit. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.

(b) The provisions of Section 135 of the Act are not applicable to the Company for the year under audit. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable.

(xxi) Qualifications or Adverse Remarks in Consolidated Financial Statements

The Company does not have any subsidiary, associate or joint venture and is not required to prepare consolidated financial statements. Accordingly, reporting under clause 3(xxi) of the Order is not applicable.

For B. M. Gattani & Co.

Chartered Accountants

Firm Registration No. 113536W

SD/-

Balmukund Gattani

Partner

Membership No. 047066

UDIN:

Place: Mumbai

Date: 27th May, 2026

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(g) under "Report on Other Legal and Regulatory Requirements" section of our report of even date to the members of HEM Holdings & Trading Limited on the standalone financial statements for the year ended 31st March, 2026)

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

We have audited the internal financial controls with reference to standalone financial statements of HEM Holdings & Trading Limited ("the Company") as at 31st March, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone 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 ("the Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note 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. 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 standalone financial statements were established and maintained and whether 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, 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 standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31st March, 2026, based on the internal control with reference to standalone 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.

For B. M. Gattani & Co.

Chartered Accountants

Firm Registration No. 113536W

SD/-

Balmukund Gattani

Partner

Membership No. 047066

UDIN:

Place: Mumbai

Date: 27th May, 2026

HEM HOLDINGS & TRADING LIMITED
CIN: L65990MH1982PLC026823
Reg. Off: UNIT NO V-348, THE CENTRIUM, 3RD FLOOR, KURLA KIROL, LBS, KURLA, MUMBAI, MAHARASHTRA, INDIA, 400070
Email ID- compliance@hemholdings.com, Website: www.hemholdings.com

BALANCE SHEET AS AT 31ST MARCH, 2026

(Rs. In 'lakhs)

Sr.No.	Particulars	Note No.	Current Year 31.Mar.2026 Audited	Previous year 31.Mar.2025 Audited
A	**ASSETS**			
1	**Non-Current Assets**			
	Property, plant and equipment	01	-	-
	Capital work-in-progress			
	Investment property			
	Goodwill			
	Other intangible assets			
	Non- Current Financial Assets			
	Non-current investments			
	Trade receivables, non-current			
	Loans, non-current	02	150.02	695.47
	Other non-current financial assets	03	28.20	28.20
	Total non-current financial assets		**178.22**	**723.66**
	Deferred tax assets (net)	04	-	-
	Other non-current assets			
	Total non-current assets		**178.22**	**723.66**
2	**Current assets**			
	Inventories		-	-
	Current financial asset			
	Current investments	05	-	-
	Receivables, current	06	-	-
	Cash and cash equivalents	07	573.84	30.24
	Bank balance other than cash and cash equivalents			
	Loans, current			
	Other financial assets			
	Total current financial assets		573.84	**30.24**
	Current tax assets (net)	08	6.31	3.75
	Other current assets			
	Total current assets		**580.16**	**33.99**
3	Non-current assets classified as held for sale		-	-
4	Regulatory deferral account debit balances and related deferred tax Assets		-	-
	Total assets		**758.38**	**757.65**
	Equity and liabilities			
1	Equity			
	Equity attributable to owners of parent			
	Equity share capital	09	24.00	24.00
	Other equity	10	252.95	191.80
	Total equity attributable to owners of parent		**276.95**	**215.80**
	Non controlling interest		-	-
	Total equity		**276.95**	**215.80**
2	**Liabilities**			
	Non-current liabilities			
	Non-current financial liabilities			
	Trade payables, non-current		-	-
	Other non-current financial liabilities	11	0.00	0.00
	Total non-current financial liabilities		**0.00**	**0.00**
	Provisions, non-current		-	-
	Other Long Term Liabilities	12	440.01	-
	Deferred government grants, Non-current		-	-
	Other non-current liabilities		-	-
	Total non-current liabilities		**440.01**	**-**
	Current liabilities			
	Current financial liabilities			
	Borrowings, current			
	Payables, current	13	0.42	0.84
	Other current financial liabilities	14	41.00	541.01
	Total current financial liabilities		**41.42**	**541.85**
	Other current liabilities		-	-
	Provisions, current			
	Current tax liabilities (Net)	15	-	-
	Deferred government grants, Current		-	-
	Total current liabilities		**-**	**-**
3	Liabilities directly associated with assets in disposal group classified as held for sale		-	-
4	Regulatory deferral account credit balances and related deferred tax liability		-	-
	Total liabilities		**481.42**	**541.85**
	Total equity and liabilites		**758.38**	**757.65**
			-	-

Significant Accounting Policies & notes to accounts
The accompanying notes are an integral part of the Financial Statements
As per our report on even date

For and Behalf of the Board
HEM HOLDINGS & TRADING LIMITED

B.M. Gattani & Co.
Chartered Accountants
Firm Reg. No. 113536W

Ravi Manoharlal Kharwad	Shubham Arvind Kumar Jain	Taruna Gupta
(MD & CFO)	(Non-Executive Director)	(Company Secretary)
DIN No. 02079606	DIN No. 10985882	M.No.- A38630

Balmukund Gattani
Partner
M. No. 47066
UDIN: 26047066WSUHJD6389
Date: 27/05/2026

HEM HOLDINGS & TRADING LIMITED
CIN: L65990MH1982PLC026823
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Email ID- compliance@hemholdings.com, Website: www.hemholdings.com

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH 2026

PART-1 **(Rs. In 'lakhs)**

Sr. No.	Particulars	Note No.	Current Year	Previous year
			31.Mar.2026	31.Mar.2025
1	**Income**		Audited	Audited
	(a)Revenue from Operations	16	71.13	29.96
	(b) Other Income	17	0.21	7.50
	Total Revenue		**71.34**	**37.46**
2	**Expenses**			
	(a) Cost of materials consumed			
	(b) Purchases of Services			
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade			
	(d) Finance Cost	18	0.09	0.05
	(e) Employee Benefits Expenses	19	1.38	0.93
	(f) Depreciation and amortisation expense	20	-	1.07
	(g) Other expenses (Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	**21**	8.71	155.72
	Total Expenses		**10.18**	**157.77**
3	**Profit / (Loss) before exceptional and extraordinary items and tax (1-2)**		**61.15**	**(120.30)**
4	Exceptional Items		-	-
5	**Profit / (Loss) before extraordinary items and tax (3-4)**		**61.15**	**(120.30)**
6	Extraordinary Items		-	-
7	**Profit/ (Loss) before Tax (5-6)**		**61.15**	**(120.30)**
8	**Tax Expenses**		-	-
	(a) Current Tax	22	-	-
	(b) Income Tax for Earlier Year		-	-
	(b)Deferred Tax	22	-	-
8	**Profit/ (Loss) for a period from continuing operations (7-8)**		**61.15**	**(120.30)**
9	Profit/ (Loss) for a period from dis -continuing operations		-	-
10	Tax Expenses of discounted operations		-	-
11	**Profit/ (Loss) for a period from dis -continuing operations (after tax) (9-10)**		-	-
12	**Other Comprehensive Income/ (Loss)**			
	A) (i) Amount of items that will not be reclassified to profit or loss	23	-	24.27
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B.) (i) Amount of items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
13	**Total Comprehensive income for the period (comprising profit/loss) and other comprehensive income for the period) (8- 11-12)**		**61.15**	**(96.03)**
	Paid -up Equity Share Capital (Face Value of Rs. 10/- each)		24.00	24.00
14	**Earning Per Share (For continuing operations)**	24		
	(a) Basic		25.48	(50.13)
	(b) Diluted		25.48	(50.13)

Significant Accounting Policies & notes to accounts
The accompanying notes are an integral part of the Financial Statements
As per our report on even date

For and Behalf of the Board
HEM HOLDINGS & TRADING LIMITED

B.M. Gattani & Co.
Chartered Accountants
Firm Reg. No. 113536W

Ravi Manoharlal Kharwad
(MD & CFO)
DIN No. 02079606

Shubham Arvind Kumar Jain
(Non-Executive Director)
DIN No. 10985882

Taruna Gupta
(Company Secretary)
M.No.- A38630

Balmukund Gattani
Partner
M. No. 47066
UDIN: 26047066WSUHJD6389
Date: 27/05/2026

HEM HOLDINGS & TRADING LIMITED

CIN: L65990MH1982PLC026823

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STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST MARCH 2026

(Rs. In 'lakhs)

Sr.No.	Particulars	Current Year 31-03-2026	Previous year 31-03-2025
		(Audited)	(Audited)
A	**Cash flow from operating activities**		
	Profit/(Loss) before tax	61.15	(120.30)
	Adjustments for:		
	Depreciation and amortization expense	-	1.07
	Profit/ (loss) on sale of investments	-	-
	Dividend income	-	-
	Adjustment during the year		
	Operating profits before working capital changes	**61.15**	**(119.24)**
	Adjustments for changes in:		
	(Increase)/ Decrease in Receivables	-	144.30
	(Increase)/ Decrease in Loans and advances	545.44	(631.50)
	(Increase)/ Decrease in other financial assets		0.02
	(Increase)/ Decrease in other non financial assets	-	(3.75)
	Increase/ (Decrease) in Payables	(0.42)	0.03
	Increase/ (Decrease) in other financial liabilities	(500.01)	537.34
	Increase/ (Decrease) in other non financial liabilities	-	(2.13)
		-	-
		45.01	**44.32**
	Cash generated from operations	**106.16**	**(74.91)**
	Income Taxes paid	(2.57)	-
	Net cash inflow/(outflow) from operating activities	**103.60**	**(74.91)**
B			
	Cash flow from investing activities	**-**	**-**
	Purchase of Fixed assets + CWIP + Cap Advance	-	-
	Proceeds from sale of Fixed Assets/ investments	-	97.20
	Dividend received		
	Interest received	-	-
	Net cash outflow from investing activities	**-**	**97.20**
C			
	Cash Flow from Financing activities		
	Increase/(Decrease) in Short term borrowings	-	-
	Increase/(Decrease) in Long term borrowings	-	-
	Interest paid	-	-
	Finance Cost	-	-
	Net cash inflow/(outflow) from Financing activities	**-**	**-**
	Net Increase/(Decrease) in Cash and Cash Equivalents	**103.60**	**22.29**
	Cash and cash equivalents at the beginning of the financial year	30.24	7.95
	Cash and cash equivalents at the end of the financial year	**133.84**	**30.24**
	Cash and cash equivalents comprise of:		
	Cash in Hand	-	-
	Bank Balances (Current Accounts)	573.84	30.24
		573.84	**30.24**

Significant Accounting Policies & notes to accounts
The accompanying notes are an integral part of the Financial Statements
As per our report on even date

B.M. Gattani & Co.
Chartered Accountants
Firm Reg. No. 113536W

For and Behalf of the Board
HEM HOLDINGS & TRADING LIMITED

Balmukund Gattani
Partner
M. No. 47066
UDIN: 26047066WSUHJD6389
Date: 27/05/2026

Shubham Arvind Kumar Jain
(Non-Executive Director)
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Statement of Changes in Equity for the year ended 31st March, 2026

A. Equity Share Capital

(Rs. In 'Lakhs)

Particulars	**Year ended 31/03/2026**	**Year ended 31/03/2025**	**Year ended 31/03/2024**	**Year ended 31/03/2023**
Balance in the beginning of the reporting period	24.00	24.00	24.00	24.00
Changes in Equity Share Capital due to prior period errors				
Restated balance at the beginning of the current reporting period	24.00	24.00	24.00	24.00
Changes in equity share capital during the year				
Balance at the end of the reporting period	24.00	24.00	24.00	24.00

B. Other Equity

Particulars	**Reserves and Surplus**			**Other Comprehensive Income**	**Total**
	Special Reserve Fund	**General Reserves**	**Retained Earnings**	**Equity Instruments through OCI**	
Balance as at 31st March 2023	**18.30**	**0.38**	**198.74**	**1.63**	**219.06**
Profit for the year	-	-	15.16	-	15.16
Other comprehensive income (net of taxes)	-	-	-	39.25	39.25
Transfer to Special Reserve u/s 45-IC of RBI	3.03	-	(3.03)	-	-
Balance as at 31st March 2024	**21.33**	**0.38**	**210.87**	**40.88**	**273.47**
Profit for the year	-	-	(120.30)	-	(120.30)
Other comprehensive income	-	-	-	24.27	24.27
Transfer of OCI to Retained Earnings (Share Sold)	-	-	24.27	(24.27)	-
Transfer of OCI to Retained Earnings (Remaining Balance)	-	-	40.88	(40.88)	-
Deferred Tax Balance to Retained Earnings	-	-	14.36	-	14.36
Balance as at 31st March 2025	**21.33**	**0.38**	**170.08**	**0.00**	**191.80**
Profit for the year			61.15		61.15
Balance as at 31st March 2026	**21.33**	**0.38**	**231.24**	**0.00**	**252.95**

Note- 1 Property, Plant and Equipment

Depreciation Chart as per Companies Act,2013

S.No	Particulars			GROSS BLOCK				DEPRECIATION				Scrap Value	Useful Life Expired	Remaining Useful Life	NET BLOCK	
		Rate of Dep	Useful Life (in Years)	As on 01.04.2025	Additions	Deletions	As on 31.03.2026	As on 01.04.2025	For the Year	Adj	As on 31.03.2026				As on 31.03.2025	As on 31.03.2026
	Assets															
1	Buildings			39.94		(28.20)	11.74	11.74	-	-	11.74	-	-	-	-	-
	Grand Total			**39.94**	**-**	**-**	**11.74**	**11.74**	**-**	**-**	**11.74**				**-**	**-**

M/S. HEM HOLDINGS & TRADING LIMITED		
Notes to Balance Sheet		
Note 2 : Loans, non current		
(A) Term Loans		
(B) Secured by tangible assets	-	-
(C) Unsecured	150.02	695.47
Total (A+B+C)	**150.02**	**695.47**
(D) (I) Loans in India		
Public sector		
Private sector	150.02	695.47
(II) Loans outside India		
Total [D(I) +D(II)]	**150.02**	**695.47**
Note 3 : Other non current Financial Assets		
Security deposits	-	-
Assets Held for Sale	28.20	28.20
Interest accrued but not due on bank deposits	-	-
Total	**28.20**	**28.20**
Note 4: Deferred Tax (Net)		
PARTICULARS	**As at 31.03.2026**	**As at 31.03.2025**
Deferred Tax Asset	-	-
Total	-	-
Note 5: Current Investment		
PARTICULARS	**As at 31.03.2026**	**As at 31.03.2025**
Equity instruments	-	-
Mutual Funds	-	-
Total	-	-
(i) Investments outside India	-	-
(ii) Investments in India	-	-
Total	-	-
Note 6: Receivables		
PARTICULARS	**As at 31.03.2026 (Rupees)**	**As at 31.03.2025 (Rupees)**
Trade receivables Unsecured, Considered Good	-	-
Other receivables- Considered good, Unsecured	-	-
(a) From 0 to 1 Year	-	-
(b) From 1 to 2 Year	-	-
(c) From 2 to 3 Year	-	-
(d) From 3 to Infinite Years	-	-
Total	-	-
Note 7: Cash and Cash Equivalents		
(a) Balance with Banks	573.84	30.24
(b) Cheques, drafts on hand	-	-
(c) Cash on hand	-	-
(d) Others (specify nature)	-	-
Total	**573.84**	**30.24**

Note 8 : Current Tax Assets (net)		
Advance Income Tax / TDS Receivable	6.31	3.75
Total	**6.31**	**3.75**

M/S. HEM HOLDINGS & TRADING LIMITED		
Notes to Balance Sheet		
Note 9: Share Capital		
PARTICULARS	**As at 31.03.2026 (Rupees)**	**As at 31.03.2025 (Rupees)**
Authorized Share Capital No. of Shares: 2,50,000 at 31st March, 2025	25.00	25.00
Issued, Subscribed & Paid Up Share Capital No. of Shares:2,40,000 at 31st March, 2025	24.00	24.00
Total	**24.00**	**24.00**
Reconciliation of Number of Shares:		
Shares outstanding at the beginning of the year	240,000.00	240,000.00
Shares issued during the year	-	-
Shares outstanding at the year end	**240,000.00**	**240,000.00**
List of Shareholders holding more than 5% SHARE HOLDERS	**% of Holding**	**% of Holding**
Note 10: Other Equity	**Retained Earnings**	
Opening Balance	191.80	273.47
Profit for the year	61.15	(120.30)
Adjustment during the year	-	38.63
Closing Balance	**252.95**	**191.80**
Note 11:Other non-current financial liabilities		
Statutory Remitances (TDS Payable)	-	-
TDS Interest payable	0.00	0.00
Total	**0.00**	**0.00**
Note 12: Other Long Term Liabilities		
PARTICULARS	**As at 31.03.2026**	**As at 31.03.2025**
Unsecured Loans	440.01	-
Total	440.01	-
Note 13: Payables- current		
(A) Trade payables		
(a) From 0 to 1 Year		0.16
(b) From 1 to 2 Year		-
(c) From 2 to 3 Year		-
(d) From 3 to Infinite Years		-
Total (A)	**-**	**0.16**
(B) Other payables		
(a) From 0 to 1 Year	0.42	0.68
(b) From 1 to 2 Year		-
(c) From 2 to 3 Year		-
(d) From 3 to Infinite Years		-
Total (B)	**0.42**	**0.68**
Total (A+B)	**0.42**	**0.84**
Note 14: Other Current Financial Liabilities		
Advance for sale of Land and Building	41.00	541.00
TDS Payable	-	0.01
Total	**41.00**	**541.01**
Note 15: Current tax liabilities (Net)		
Current Tax Liability	-	-
Total	**-**	**-**

M/S. HEM HOLDINGS & TRADING LIMITED

Notes to Statement of Profit & Loss

Note 16: Revenue From Operation

PARTICULARS	For the year ending on 31.03.2026	For the year ending on 31.03.2025
Dividend Income	-	-
Interest and other financial Income	71.13	29.96
Total	**71.13**	**29.96**

Note 17: Other Income

PARTICULARS	For the year ending on 31.03.2026	For the year ending on 31.03.2025
Rental income	-	7.50
Interest on IT Refund	0.21	
Income from non-financing activity	-	-
Total	**0.21**	**7.50**

Note 18: Financial Cost

Other Interest expenses	-	0.02
Bank charges	0.09	0.03
Total	**0.09**	**0.05**

Note 19: Employee Benefit Expenses

PARTICULARS	For the year ending on 31.03.2026	For the year ending on 31.03.2025
Salaries and Wages	1.38	0.93
Total	**1.38**	**0.93**

Note 20: Depreciation and Amortization Expenses

Depreciation on Property, plant and equipment	-	1.07
Total	**-**	**1.07**

Note 21: Other Expenses

Advertisement Expenses	1.05	0.78
Custody charges	0.28	-
Demat charges	0.03	0.28
E-voting	-	0.18
Listing fees	3.84	3.84
Miscellaneous Expenses	0.05	0.09
Webpage charges	0.15	-
Auditor Remuneration (Statutory Audit fees)	0.27	0.53
Professional fees	1.69	1.84
Rates and taxes	0.04	-
Registration & Renewal Expenses	0.34	0.59
Repairs and maintenance	0.62	2.96
Advance written off and other write off	-	143.93
Internal Audit fees	-	0.60
Bus Undertaking Electricity	0.05	
ROC Fees	0.06	
RTA Expenses	0.25	
Legal fees	-	0.11
Total	**8.71**	**155.72**

Note 22: Tax Expenses

Note 23: Other Comprehensive Income/ (Loss)

A) (i) Amount of items that will not be reclassified to profit or loss		
Net gain/ (loss) on equity instruments measured through OCI	-	24.27
(ii) Income tax relating to items that will not be reclassified to profit or loss		
B.) (i) Amount of items that will be reclassified to profit or loss		
(ii) Income tax relating to items that will not be reclassified to profit or loss		
Total	**-**	**24.27**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2026

(All amounts are in ₹ lakhs unless otherwise stated. Amounts have been rounded off to two decimal places; consequently, totals in certain tables may reflect minor rounding differences.)

Note A – Corporate Information

1. CORPORATE INFORMATION

Hem Holdings and Trading Limited (the "Company") is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956 (CIN-L65990MH1982PLC026823). It is registered as an investment and non-deposit taking non-banking finance Company ("NBFC") with Reserve Bank of India ("RBI"). The Company is engaged in the business of investment in mutual funds and in equity shares including in group companies as also providing loans to group companies. Its shares are listed in only one recognized stock exchange i.e., BSE Limited (BSE).

The Company's registered office is at 601 / 602-A, Fairlink Centre, Off Andheri Link Road,Andheri (West), Mumbai-400053, Maharashtra, India.

Note B – Basis of Preparation

B.1 Statement of compliance

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other relevant provisions of the Act.

B.2 Basis of measurement

The financial statements have been prepared on the historical cost basis, except for the following items which are measured on an alternative basis at each reporting date:

- Certain financial assets and financial liabilities measured at fair value (refer accounting policy on financial instruments);
- Non-current assets classified as held for sale, measured at the lower of carrying amount and fair value less costs to sell;
- Defined benefit obligations, measured at the present value of the obligation less the fair value of plan assets, where applicable.

B.3 Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is also the functional currency of the Company. All amounts are stated in ₹ lakhs, rounded to two decimal places, unless otherwise indicated.

B.4 Presentation of assets and liabilities

The Company presents assets and liabilities in the Balance Sheet based on current and non-current classification. An asset is classified as current when it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle; is held primarily for the purpose of trading; is expected to be realised within twelve months after the reporting date; or is cash or a cash equivalent not restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets are classified as non-current. A corresponding basis is applied to liabilities. Deferred tax assets and liabilities are classified as non-current.

Having regard to the nature of its activities, the Company has determined its operating cycle to be twelve months for the purpose of the above classification.

B.5 Use of estimates, judgements and assumptions

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis; revisions are recognised prospectively.

Areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are set out in Note D.

Note C – Significant Accounting Policies

C.1 Property, plant and equipment

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price, non-refundable duties and taxes, and any directly attributable cost of bringing the asset to its working condition for its intended use.

Depreciation is provided on the written down value method over the useful lives prescribed in Schedule II to the Companies Act, 2013, pro-rata from the date on which the asset is available for use. Freehold land is not depreciated. The residual values, useful lives and method of depreciation are reviewed at each financial year-end and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. The gain or loss arising on derecognition, computed as the difference between the net disposal proceeds and the carrying amount, is recognised in the Statement of Profit and Loss in the period of derecognition.

C.2 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for the sale of such assets, and the sale is highly probable. For a sale to be highly probable, management must be committed to a plan to sell, an active programme to locate a buyer must have been initiated, the asset must be actively marketed at a price that is reasonable in relation to its current fair value, and the sale must be expected to qualify for recognition as a completed sale within one year from the date of classification.

An extension of the period required to complete a sale beyond one year does not preclude an asset from continuing to be classified as held for sale where the delay is caused by events or circumstances beyond the Company's control and there is sufficient evidence that the Company remains committed to its plan to sell.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Such assets are not depreciated or amortised. They are presented separately in the Balance Sheet.

C.3 Financial instruments – recognition and initial measurement

A financial asset or a financial liability is recognised in the Balance Sheet when the Company becomes a party to the contractual provisions of the instrument. Loans and advances are recognised on the date of disbursement.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than those measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition.

Where a financial asset or financial liability is originated at a rate of interest that differs from the prevailing market rate for a similar instrument, it is initially recognised at fair value determined by discounting the contractual cash flows at the market rate of interest. Any difference between the transaction price and such fair value is recognised as a gain or loss in the Statement of Profit and Loss, except where the transaction is with a shareholder in its capacity as such, in which case the difference is recognised directly in equity as a deemed capital contribution or distribution. The discount so recognised is subsequently unwound as interest income or interest expense over the term of the instrument using the effective interest method.

C.4 Financial assets – classification and subsequent measurement

The Company classifies its financial assets in the following measurement categories, on the basis of both the business model within which the financial asset is held and the contractual cash flow characteristics of the financial asset:

- Amortised cost: A financial asset is measured at amortised cost where it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Such assets are subsequently measured using the effective interest method, net of any impairment allowance. Interest income, foreign exchange gains and losses and impairment are recognised in the Statement of Profit and Loss.
- Fair value through other comprehensive income ("FVOCI") – debt instruments: A financial asset is measured at FVOCI where it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms meet the SPPI criterion. Movements in carrying amount are taken through OCI except for impairment gains and losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. On derecognition, the cumulative gain or loss previously recognised in OCI is reclassified to profit or loss.
- Fair value through other comprehensive income – equity instruments: For investments in equity instruments not held for trading, the Company may make an irrevocable election at initial recognition, on an instrument-by-

instrument basis, to present subsequent changes in fair value in OCI. Amounts so presented in OCI are not subsequently reclassified to profit or loss, including on disposal; the cumulative gain or loss is transferred within equity to retained earnings. Dividends from such investments are recognised in profit or loss unless they clearly represent a recovery of part of the cost of the investment.

- Fair value through profit or loss ("FVTPL"): Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. Gains and losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.

Loans granted by the Company are held with the objective of collecting contractual cash flows which comprise solely payments of principal and interest, and are accordingly measured at amortised cost.

C.5 Impairment of financial assets – expected credit losses

The Company recognises a loss allowance for expected credit losses ("ECL") on financial assets measured at amortised cost and on debt instruments measured at FVOCI, applying the three-stage approach prescribed by Ind AS 109:

- Stage 1 – financial assets for which credit risk has not increased significantly since initial recognition. A loss allowance equal to 12-month expected credit losses is recognised.
- Stage 2 – financial assets for which credit risk has increased significantly since initial recognition but which are not credit-impaired. A loss allowance equal to lifetime expected credit losses is recognised.
- Stage 3 – financial assets that are credit-impaired. A loss allowance equal to lifetime expected credit losses is recognised and interest income is computed on the net carrying amount.

Expected credit losses are measured as the probability-weighted present value of cash shortfalls over the expected life of the financial instrument, determined as a function of the probability of default, loss given default and exposure at default, adjusted for forward-looking macro-economic information. The Company applies a rebuttable presumption that credit risk has increased significantly when contractual payments are more than 30 days past due, and that a default has occurred when an exposure is more than 90 days past due.

Financial assets are written off, either partially or in full, when the Company has no reasonable expectation of recovery. Subsequent recoveries of amounts previously written off are credited to the Statement of Profit and Loss.

In terms of the Reserve Bank of India circular dated 13th March, 2020 on "Implementation of Indian Accounting Standards", the Company compares the impairment allowance computed under Ind AS 109 with the provisioning required under the Income Recognition, Asset Classification and Provisioning ("IRACP") norms prescribed by the Reserve Bank of India. Where the impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP norms, the difference is appropriated from retained earnings to a separate "Impairment Reserve", which is not reckoned for regulatory capital and from which no withdrawal is permitted without the prior permission of the Reserve Bank of India.

C.6 Financial liabilities and equity instruments

Financial liabilities are classified as measured at amortised cost or at FVTPL. A financial liability is classified at FVTPL where it is held for trading or is designated as such on initial recognition. All other financial liabilities are subsequently measured at amortised cost using the effective interest method.

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

C.7 Derecognition and offsetting

A financial asset is derecognised when the contractual rights to the cash flows from the asset expire, or the Company transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership are transferred, or in which the Company neither transfers nor retains substantially all the risks and rewards of ownership and does not retain control of the asset. A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Financial assets and financial liabilities are offset and the net amount presented in the Balance Sheet only when the Company has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

C.8 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In measuring fair value, the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities measured or disclosed at fair value are categorised within the following fair value hierarchy: Level 1 – quoted (unadjusted) prices in active markets for identical assets or liabilities; Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; Level 3 – inputs that are not based on observable market data. Transfers between levels are recognised at the end of the reporting period in which the transfer occurs.

C.9 Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that a non-financial asset may be impaired. Where such an indication exists, the recoverable amount of the asset — being the higher of its fair value less costs of disposal and its value in use — is estimated. An impairment loss is recognised in the Statement of Profit and Loss where the carrying amount of an asset exceeds its recoverable amount. An impairment loss recognised in prior periods is reversed where there has been a change in the estimates used to determine the recoverable amount, limited to the carrying amount that would have been determined had no impairment loss been recognised.

C.10 Revenue recognition

Interest income on financial assets measured at amortised cost is recognised on a time proportion basis using the effective interest rate ("EIR") method. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that asset. Interest income on credit-impaired financial assets is recognised by applying the EIR to the amortised cost (net of impairment allowance) of the asset.

Dividend income is recognised when the Company's right to receive payment is established, it is probable that the economic benefits will flow to the Company, and the amount can be measured reliably.

Rental income arising from operating leases is recognised on a straight-line basis over the lease term, unless another systematic basis is more representative of the pattern in which the benefit derived from the leased asset is diminished.

Revenue from contracts with customers, if any, is recognised in accordance with Ind AS 115 upon transfer of control of the promised services to the customer, at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services.

Interest on income tax refund is recognised in the period in which the order giving rise to the refund is passed and the amount is reasonably ascertainable.

C.11 Employee benefits

Short-term employee benefits, including salaries, wages and bonus, expected to be settled wholly within twelve months after the end of the period in which the employees render the related service, are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss in the period in which the service is rendered.

Defined contribution plans: The Company's contributions, if any, to provident fund and other defined contribution schemes are recognised as an expense in the period in which the related services are rendered, with no further obligation beyond the contribution payable.

Defined benefit plans: The Company's liability towards gratuity and other defined benefit obligations, where applicable, is determined using the projected unit credit method with actuarial valuations carried out at each reporting date. Remeasurements, comprising actuarial gains and losses, are recognised in other comprehensive income in the period in which they arise and are not subsequently reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Having regard to the number of employees on its rolls, the provisions of the Payment of Gratuity Act, 1972 and the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 are not applicable to the Company during the year. Accordingly, no provision for defined benefit obligations has been recognised.

C.12 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset. All other borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing costs comprise interest computed using the effective interest method and other costs incurred in connection with the borrowing of funds.

C.13 Taxes on income

Income tax expense comprises current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case it is recognised in other comprehensive income or directly in equity respectively.

Current tax is the expected tax payable or receivable on the taxable income for the year, computed in accordance with the Income-tax Act, 1961, using tax rates enacted or substantively enacted at the reporting date, together with any adjustment to tax payable or receivable in respect of previous years. Current tax assets and liabilities are offset only where the Company has a legally enforceable right to set off the recognised amounts and intends to settle on a net basis.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences only to the extent that it is probable that future taxable profits will be available against which they can be utilised. 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. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and tax laws enacted or substantively enacted at the reporting date.

C.14 Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date, discounted to present value where the effect of the time value of money is material.

A contingent liability is a possible obligation arising from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that is not recognised because an outflow of resources is not probable or the amount cannot be measured reliably. Contingent liabilities are disclosed and not recognised.

Contingent assets are not recognised. Where an inflow of economic benefits is probable, the contingent asset is disclosed.

C.15 Statutory reserve under Section 45-IC of the Reserve Bank of India Act, 1934

In accordance with Section 45-IC of the Reserve Bank of India Act, 1934, the Company is required to create a reserve fund and to transfer thereto a sum not less than twenty per cent of its net profit for the year as disclosed in the Statement of Profit and Loss, before any dividend is declared. No appropriation of any sum from the reserve fund may be made except for the purposes specified by the Reserve Bank of India, and every such appropriation is required to be reported to the Reserve Bank of India within twenty-one days from the date of such withdrawal.

C.16 Earnings per share

Basic earnings per share is computed by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

C.17 Cash and cash equivalents and the Statement of Cash Flows

Cash and cash equivalents comprise cash on hand, balances with banks in current accounts, and short-term, highly liquid investments with an original maturity of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

The Statement of Cash Flows is prepared under the indirect method prescribed by Ind AS 7, whereby profit or loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows. Cash flows are classified into operating, investing and financing activities.

C.18 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker ("CODM"). The Board of Directors of the Company has been identified as the CODM, being the body that assesses the financial performance and position of the Company and makes strategic decisions regarding the allocation of resources.

C.19 Events after the reporting period

Adjusting events, being those that provide evidence of conditions that existed at the reporting date, are reflected in the financial statements. Non-adjusting events that are material are disclosed in the notes.

C.20 Recent accounting pronouncements

The Ministry of Corporate Affairs notifies new standards or amendments to existing standards under the Companies (Indian Accounting Standards) Rules from time to time. The Company has evaluated the amendments to Ind AS notified and made effective for annual periods beginning on or after 1st April, 2025 and has concluded that they do not have a material impact on these financial statements. There are no standards or amendments notified but not yet effective as at the date of authorisation of these financial statements that are expected to have a material impact on the Company.

Note D – Critical Accounting Judgements, Estimates and Assumptions

In applying the Company's accounting policies, management has made the following judgements, estimates and assumptions which have the most significant effect on the amounts recognised in the financial statements:

D.1 Impairment of loans – expected credit losses

The measurement of expected credit losses on loans requires significant judgement, in particular in estimating the amount and timing of future cash flows, assessing whether there has been a significant increase in credit risk since initial recognition, determining the probability of default and loss given default, and selecting and weighting forward-looking macro-economic scenarios. Given that the Company's loan portfolio comprises a small number of exposures, the assessment is performed on an individual counterparty basis.

D.2 Classification of assets as held for sale

Judgement is required in determining whether the criteria in Ind AS 105 continue to be satisfied in respect of the asset classified as held for sale, in particular whether the sale remains highly probable and whether the delay in completing the sale beyond one year from the date of initial classification arises from events or circumstances beyond the Company's control while the Company remains committed to its plan to sell. Management has reassessed the position as at 31st March, 2026 and concluded that the classification continues to be appropriate.

D.3 Recognition of deferred tax assets

The recognition of deferred tax assets in respect of unabsorbed business losses and unabsorbed depreciation requires management to assess the probability of the availability of future taxable profits against which such losses can be utilised. Having regard to the absence of convincing evidence of sufficient future taxable profit, no deferred tax asset has been recognised in respect of the carried forward tax losses of the Company.

D.4 Fair value of financial instruments not quoted in an active market

Where the fair value of a financial instrument cannot be determined by reference to quoted prices in an active market, it is determined using valuation techniques including discounted cash flow models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values.

D.5 Provisions and contingent liabilities

The assessment of whether a present obligation exists, whether an outflow of economic benefits is probable, and the measurement of the amount required to settle an obligation, involve judgement, particularly in relation to litigation and tax matters, the outcome of which depends on future events.

For B. M. Gattani & Co.

Chartered Accountants

Firm Registration No. 113536W

SD/-

Balmukund Gattani

Partner

Membership No. 047066

UDIN:

Place: Mumbai

Date: 27th May, 2026