RIYAZ GANGJI
LIBAS

National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400051.

Scrip Symbol – LIBAS
Series: EQ

Subject: Clarification for Financial results
Reference: E-mail received from NSE dated July 15, 2025 at 12:32 p.m.

Dear Sir/Madam,

With captioned subject and reference, please note that the same queries were received on June 16, 2025 and reply was submitted on June 17, 2025.

For your reference, we are submitting required documents with this letter

Query 1
Limited Review Report/ Independent Auditor's Report is not in the format prescribed by SEBI_Independent Auditor's Limited Review Report mentioned in Consolidated Auditors Report

Reply
Consolidated Auditors Report as per the format prescribed by SEBI is attached herewith.

Query 2
The company has not submitted the Statement of Impact of Audit Qualifications in case of modified opinion as format prescribed by SEBI_ MD/CEO and Audit Committee Chairman sign missing (s)

Reply
The Statement of Impact of Audit Qualifications as format prescribed by SEBI duly signed by MD and Audit Committee Chairman is attached herewith.

For & on behalf of
Libas Consumer Products Ltd.
NISHANT MITRASEN MAHIMTURA
Digitally signed by NISHANT MITRASEN MAHIMTURA
Date: 2025.07.16 16:03:59 +05'30'
Nishant Mahimtura
(Wholetime Director)
(DIN: 02000572)

Date: July 16, 2025
Place: Mumbai

Independent Auditor's Report

Independent Auditor's Report on the Annual Audited Consolidated Financial Results of **Libas Consumer Products Limited (Formally known as Libas Designs Limited)** for year ended on 31st March, 2025 of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

To
The Board of Directors
Libas Consumer Products Limited (Formally known as Libas Designs Limited).
Andheri West, Mumbai.

Report on the Audit of the Consolidated Financial Results

Opinion

We have audited the accompanying consolidated annual statement of financial results of **Libas Consumer Products Limited (Formally known as Libas Designs Limited)** (the "Company" or "Parent") **and its subsidiaries** (the Parent and its subsidiaries together referred to as the "Group"), for the year ended on 31st March, 2025 attached herewith being submitted by the Company pursuant to the requirement of regulation 33 of the SEBI (Listing obligation and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations") including relevant circulars issued by Securities and Exchange Board of India (SEBI) from time to time.

a) Qualified Opinion on Annual Consolidated Financial Results

In our opinion and to the best of our information and according to the explanations given to us these consolidated financial results:

i. Includes the financial results of its wholly owned subsidiary company i.e. LIBAS CONSUMER PRODUCTS LIMITED FZE LLC (formally known as LIBAS DESIGN LLC) (Ajman, U.A.E)
ii. Presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
iii. Give a true and fair view in conformity with the recognition and measurement Principles laid down in the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India of the net profit/loss and other Comprehensive income and other financial information of the group, except for the information mentioned in the "Basis for Qualified Opinion" paragraph for the year ended 31st March, 2025.

Basis for Qualified Opinion on the Consolidated Financial Results for the year ended March 31, 2025

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Results* section of our report. We are independent of the Group, its Subsidiary in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

- Significant deficiencies in Inventory Management: During the course of our audit, we observed significant deficiencies in the Company's inventory management system. In our opinion, the inventory is overstated by ₹1,187.30 lakhs, comprising obsolete stock of ₹700.84 lakhs, overvaluation of ₹167.94 lakhs, and stock shortages of ₹318.52 lakhs. Consequently, the profit for the period is also overstated by the same amount.

- Loan agreement not obtained: Loan agreements for Short Term Loans and Advances given to various parties (Asset) for a total amount of Rs 884.27 lakhs were not provided. Out of these loans given, certain parties' amounting Rs, 298.59 lakhs, there have been no receipts from these parties in last 2 financial years. In the absence of any agreement and balance confirmations from these parties and in view of no receipts from these parties in past 2 years, we are of the opinion that loans and advances aggregating Rs 298.59 lakhs may not be recoverable by the company. Assets are over stated in the balance sheet to this extent.

- Interest on Loans given not recognized: Interest income on the loans aggregating to Rs 632.92 lacs, given by the company has not been recognized in the books. In the absence of any loan agreement, we are unable to quantify the interest income not booked by the company. Interest income of Rs 12.71 lacs has been booked against loans amounting to 172.35 lacs, however there has not been any realization of this interest during the year and basis of income booked is not provided.

- Doubtful Recoverability of Long-Outstanding Trade Receivables: As at the balance sheet date, the Company is carrying trade receivables aggregating to ₹198.11 lakhs which have remained outstanding without any recovery or movement for a period exceeding two financial years. In the absence of subsequent collections, corroborative evidence, or adequate impairment assessment, we are unable to obtain sufficient appropriate audit evidence regarding the recoverability of these receivables. In our view, the recoverability of these balances is doubtful, and no provision has been recognized in the financial statements. Consequently, the carrying value of trade receivables and the profit for the year are overstated to this extent.

- Unsubstantiated Trade Payables: The Company has reported trade payables amounting to ₹176.64 lakhs, which have not exhibited any movement or settlement for over two financial years. We were not provided with sufficient documentation, including confirmations or other supporting evidence, to validate the existence and completeness of these liabilities. As a result, we are unable to determine the accuracy and completeness of the trade payables reported in the financial statements.

- Internal Control Processes are not commensurate with the size of the business.

- Discrepancy in Inventory Valuation between Financial Records and Stock Statement Submitted to Bank: During the course of audit, it was noted that the value of inventory reported in the financial statements as on 31st March 2025 amounts to ₹2196.99 Lacs as per the company's books (Tally and financials). However, the stock statement submitted to the bank for the same date reflects a value of ₹2028.00 lacs. This results in a discrepancy of ₹168.99 lacs between the two reported figures. In the absence of reconciliatory documentation or justification for the differential valuation, we are unable to verify the accuracy and completeness of the inventory records. Such a significant difference raises concerns over the reliability of the inventory valuation presented in the financial statements and may impact the true and fair view of the financial position of the company

Management's Responsibilities for the Consolidated Financial Results

These consolidated Annual financial results have been prepared on the basis of the annual consolidated financial statements. The Company's Board of Directors of Holding Company are responsible for the preparation of these financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Group including its Subsidiary in accordance with the recognition and measurement principles laid down in Indian Accounting prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its subsidiary and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial results, the Board of Directors of the companies included in the group and subsidiary are responsible for assessing the ability of the group and its subsidiary to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the respective Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the group and its subsidiary are also responsible for overseeing the Company's financial reporting process of the group and subsidiary.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Results

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

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

- Identify and assess the risks of material misstatement of the consolidated financial results, 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, but not for the purpose of expressing an opinion on the effectiveness of the company’s internal controls.

Head Office: 338, 3rd Floor, V Spaces, V- Mall, Thakur Complex, Kandivali East, Mumbai – 400101
Telephone 91-9594189162, 9137585799, 9137585764; Email : firmccco@gmail.com Website: www.ccco.co.in

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of the Board of Directors' 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 ability of the group and its subsidiary to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

We communicate with those charged with governance of Holding Company of which we are the independent auditors 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.

Emphasis of Matters

1. The Company has recognized a provision towards gratuity obligations in the financial statements, which has been determined based on management's internal estimates. However, the Company has not obtained an actuarial valuation of the gratuity liability as required under the principles of Ind AS 19 – *Employee Benefits*. In the absence of an actuarial valuation, we are unable to determine the appropriateness and completeness of the gratuity provision recognised as at the reporting date. Consequently, we are unable to assess whether any adjustments may be required to the financial statements in this regard.
2. We draw attention to Note 'l' of the financial statements, which describes that a demand order amounting to ₹124.39 lakhs under the Goods and Services Tax (GST) was received by the Company on February 2, 2025. The Company has filed an appeal against the said demand;

however, no provision has been recognized in the financial statements for this liability, as management believes the demand is not tenable. Our opinion is not modified in respect of this matter.

3. We draw attention to Note no 'm' to the financial statements, which describes a fire incident that occurred at one of the Company's retail outlets subsequent to the balance sheet date. As stated in the note, the management has assessed that the incident does not affect the conditions existing as at March 31, 2025, and accordingly, no adjustments have been made to the financial statements. Our opinion is not modified in respect of this matter.

Other Matters

Other matters may be noted as below:

- GST Annual Return 9 and 9C for FY 2022-23, FY 2023-24 is not filed till date of this report.
- We draw attention to the note no. 'e' of the standalone financial results wherein the undisputed tax liability in relation to TDS on purchase for the F.Y. 2022-23 unpaid as on date amounting to Rs 1.32 Lakhs and FY 2023-24 amounting to Rs 3.29 lakhs, total amounting to Rs 4.61 lakhs.
- We draw attention to the note no. 'f' of the standalone financial results wherein the undisputed income tax liability of Rs.1.27 Lakhs for FY 2023-24 are unpaid as on date of this report.
- We draw attention to the note no. 'g' to 'i' of the standalone financial results wherein the undisputed tax liability in relation to below items are unpaid as on date of this report and overdue for more than 6 months as on 31st March 2025.
    - g. Professional Tax for Rs 2.78 lakhs
    - h. TCS Collected from parties for Rs 1.50 lakhs
    - i. GST Liability for Rs 2.79 lakhs
- We draw attention to the note no. 'k' of the standalone financial results wherein the legal cases filed against the company pending as on date of this report.

- Consolidated Financials Result of the company includes results of the wholly owned subsidiary "LIBAS DESIGN LLC (Ajman, U.A.E)", We did not audit the financial statements of the subsidiary included in the consolidated Financial Results, Whose financial statements reflect total Assets of Rs. 3204.94 Lakhs as at 31st March, 2025 and Total Revenue and Profits of Rs. 3697.09 Lakhs and Rs. 418.50 Lakhs for the year ended 31st March, 2025 respectively. This financial statement of subsidiary has been audited by Mr. Nitendra Chaturvedi ACPA, ACMA having M – 1927 on behalf of Husain Al Hashmi Auditing of accounts whose reports have been furnished to us by the management and our opinion and conclusion on the statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of other Auditor's responsibility section above.

- The statement includes the quarterly results for the year ended 31st March 2025, being the balancing figures between the audited figures in respect of the full financial year and the published figures up to the 3rd Quarter of the current financial year which were subject to limited review by us.

For Choudhary Choudhary & Co.
Chartered Accountants

CHOUDHARY CHOUDHARY & CO. MUMBAI Chartered Accountants

CA Alok Kumar Mishra
Membership Number: 124184
Firm Registration No: 002910C
UDIN: - 25124184BMIAEH6453

Place: Mumbai
Date: 13th June, 2025

ANNEXURE I

Statement on Impact of Audit Qualifications for the Standalone Financial Year ended March 31, 2025

[Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

Rs. in Lacs

Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1.	Turnover / Total income	5,522.46	5,711.81
2.	Total Expenditure	5,650.82	7,036.23
3	Extraordinary Item (Management support to company)	0	298.59
4	Impact of Qualification (assessment dues)	0	(1,494.65)
3.	Net Profit/(Loss)	(157.44)	(1,652.09)
4.	Earnings Per Share	(0.60)	(6.27)
5.	Total Assets	7,979.57	6,308.28
6.	Total Liabilities	2,939.26	2,762.62
7.	Net Worth	5,040.32	3,545.67
8.	Any other financial item(s) (as felt appropriate by the management)		

II. Audit Qualification (each audit qualification separately):

a. Details of Audit Qualification:

1. Significant deficiencies in Inventory Management: During the course of our audit, we observed significant deficiencies in the Company's inventory management system. In our opinion, the inventory is overstated by ₹1,187.30 lakhs, comprising obsolete stock of ₹700.84 lakhs, overvaluation of ₹167.94 lakhs, and stock shortages of ₹318.52 lakhs. Consequently, the profit for the period is also overstated by the same amount.

2. Loan agreement not obtained: Loan agreements for Short Term Loans and Advances given to various parties (Asset) for a total amount of Rs 884.27 lakhs were not provided. Out of these loans given, certain parties' amounting Rs, 298.59 lakhs, there have been no receipts from these parties in last 2 financial years. In the absence of any agreement and balance confirmations from these parties and in view of no receipts from these parties in past 2 years, we are of the opinion that loans and advances aggregating Rs 298.59 lakhs may not be recoverable by the company.

Assets are over stated in the balance sheet to this extent.

3. Interest on Loans given not recognized: Interest income on the loans aggregating to Rs 632.92 lacs, given by the company has not been recognized in the books. In the absence of any loan agreement, we are unable to quantify the interest income not booked by the company. Interest income of Rs 12.71 lacs has been booked against loans amounting to 172.35 lacs, however there has not been any realization of this interest during the year and basis of income booked is not provided.

4. Doubtful Recoverability of Long-Outstanding Trade Receivables: As at the balance sheet date, the Company is carrying trade receivables aggregating to ₹198.11 lakhs which have remained outstanding without any recovery or movement for a period exceeding two financial years. In the absence of subsequent collections, corroborative evidence, or adequate impairment assessment, we are unable to obtain sufficient appropriate audit evidence regarding the recoverability of these receivables. In our view, the recoverability of these balances is doubtful, and no provision has been recognized in the financial statements. Consequently, the carrying value of trade receivables and the profit for the year are overstated to this extent.

5. Unsubstantiated Trade Payables: The Company has reported trade payables amounting to ₹176.64 lakhs, which have not exhibited any movement or settlement for over two financial years. We were not provided with sufficient documentation, including confirmations or other supporting evidence, to validate the existence and completeness of these liabilities. As a result, we are unable to determine the accuracy and completeness of the trade payables reported in the financial statements.

6. Internal Control Processes are not commensurate with the size of the business.

7. Discrepancy in Inventory Valuation between Financial Records and Stock Statement Submitted to Bank: During the course of audit, it was noted that the value of inventory reported in the financial statements as on 31st March 2025 amounts to ₹2196.99 Lacs as per the company's books (Tally and financials). However, the stock statement submitted to the bank for the same date reflects a value of ₹2028.00 lacs. This results in a discrepancy of ₹168.99 lacs between the two reported figures. In the absence of reconciliatory documentation or justification for the differential valuation, we are unable to verify the accuracy and completeness of the inventory records. Such a significant difference raises concerns over the reliability of the inventory valuation presented in the financial statements and may impact the true and fair view of the financial position of the company.

b. Type of Audit Qualification : Qualified Opinion

c. Frequency of qualification: Qualification No 1 to 6 are is continued from March 2023 and 7th is First Time .

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:

Management is willing to submit the views based on their long experience in the business and there continuous efforts to resolve the identified issues by the Auditor,

1) During last 2 financial year management is aware of mismanagement of inventory due to closure of Delhi Branch, Juhu Branch and Borivali Branch and return of goods without barcoding. The management is refurbishing all the stock for further utilizations. The management has tie-ups with various TV serial directors to use the old refurbished cloths for costume in the serials. The impact of arrangement will be visible from July month onwards. The management will not obsolete the goods instead utilized the same for furtherance of business.
2) Loans given to Employees and third parties are fully recoverable, the management has taken initiative to collect the old loans and advance. Management is quite sure to collect the total amount in near future. The above advance given to various parties prior to Covid period and they were facing financial issues and therefore the collection was delayed. Management was able to recover around 8 Crores during FY 2024-25.
3) The advance given to various parties for material hance no agreements were prepared. Few covid affected parties were unpaid. We can not charge interest on advance for material still we are negotiating with parties to collect the interest on overdue advance.
4) The Long outstanding Debtors include receivable from various parties of different branches. Due to closure of branches the collections were delayed. Management is putting all efforts to collect the amount.
5) As far as Trade Payable is concern, it is highly impractical to get confirmation from each party. The Auditor has received confirmation from some parties directly in to their mails. The Amount is coming from previous years and hence fully substantiated by audited financials. Company delayed the payment on account of certain issues in the product supplied by those parties. It is the duty of management to approve payment for supply which meet the quality standards. Hence the argument of Auditor towards non payment is very general and not acceptable to Management.
6) As far as internal control process is concern, each payment from the bank account is personally verified by the concerned Director and properly under control of management. As far as stock is concern, we already accepted the loopholes and took remedial action to control the same.
7) As far as Inventory submission to bank is concern, the statement submitted to bank is as per the agreed loan terms and conditions after removing the old stock and hence the difference is there in both the statement.

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

(i) Management's estimation on the impact of audit qualification: - Not Ascertainable

(ii) If management is unable to estimate the impact, reasons for the same: Internal Control process donot require financial impact and Management is already taken remedial steps to control the stock management process.

(iii) Auditors' Comments on (i) or (ii) above:

III. Signatories: Mr. Riyaz Ganji Managing Director DIN: 02236203	LIBAS CONSUMER PRODUCTS LIMITED MUMBAI
CFO Mr Mohammed Sakerwala	LIBAS CONSUMER PRODUCTS LIMITED MUMBAI Sakerwala
Audit Committee Chairman Mr. Ashish Dubey	
Statutory Auditor	For Choudhary Choudhary & Co. Chartered Accountants Firm Regn. No. 002910C CHOUDHARY CHOUDHARY & CO. MUMBAI Chartered Accountants CA Alok Kumar Mishra Partner M.No:124184

Place: Mumbai
Date:13th June, 2025

ANNEXURE I

Statement on Impact of Audit Qualifications for the Consolidated Financial Year ended March 31, 2025

[Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]

Rs. in Lacs

Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
1.	Turnover / Total income	9,219.55	9,408.90
2.	Total Expenditure	8,926.03	10,311,44
3	Extraordinary Item (Management support to company)	0	298.59
4	Impact of Qualification (assessment dues)	0	(1,494.65)
3.	Net Profit/(Loss)	264.45	(1,230.20)
4.	Earnings Per Share	1.23	(4.44)
5.	Total Assets	11,123.77	9,452.48
6.	Total Liabilities	2,953.00	2,776.36
7.	Net Worth	8,170.78	6,676.13
8.	Any other financial item(s) (as felt appropriate by the management)		

II. Audit Qualification (each audit qualification separately):

a. Details of Audit Qualification:

1. Significant deficiencies in Inventory Management: During the course of our audit, we observed significant deficiencies in the Company's inventory management system. In our opinion, the inventory is overstated by ₹1,187.30 lakhs, comprising obsolete stock of ₹700.84 lakhs, overvaluation of ₹167.94 lakhs, and stock shortages of ₹318.52 lakhs. Consequently, the profit for the period is also overstated by the same amount.

2. Loan agreement not obtained: Loan agreements for Short Term Loans and Advances given to various parties (Asset) for a total amount of Rs 884.27 lakhs were not provided. Out of these loans given, certain parties' amounting Rs, 298.59 lakhs, there have been no receipts from these parties in last 2 financial years. In the absence of any agreement and balance confirmations from these parties and in view of no receipts from these parties in past 2 years,

we are of the opinion that loans and advances aggregating Rs 298.59 lakhs may not be recoverable by the company. Assets are over stated in the balance sheet to this extent.

3. Interest on Loans given not recognized: Interest income on the loans aggregating to Rs 632.92 lacs, given by the company has not been recognized in the books. In the absence of any loan agreement, we are unable to quantify the interest income not booked by the company. Interest income of Rs 12.71 lacs has been booked against loans amounting to 172.35 lacs, however there has not been any realization of this interest during the year and basis of income booked is not provided.

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b. Type of Audit Qualification : Qualified Opinion

c. Frequency of qualification: Qualification No 1 to 6 are is continued from March 2023 and 7th is First Time .

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:

Management is willing to submit the views based on their long experience in the business and there continuous efforts to resolve the identified issues by the Auditor,

1) During last 2 financial year management is aware of mismanagement of inventory due to closure of Delhi Branch, Juhu Branch and Borivali Branch and return of goods without barcoding. The management is refurbishing all the stock for further utilizations. The management has tie-ups with various TV serial directors to use the old refurbished cloths for costume in the serials. The impact of arrangement will be visible from July month onwards. The management will not obsolete the goods instead utilized the same for furtherance of business.
2) Loans given to Employees and third parties are fully recoverable, the management has taken initiative to collect the old loans and advance. Management is quite sure to collect the total amount in near future. The above advance given to various parties prior to Covid period and they were facing financial issues and therefore the collection was delayed. Management was able to recover around 8 Crores during FY 2024-25.
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7) As far as Inventory submission to bank is concern, the statement submitted to bank is as per the agreed loan terms and conditions after removing the old stock and hence the difference is there in both the statement.

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

(i) Management's estimation on the impact of audit qualification: - Not Ascertainable

(ii) If management is unable to estimate the impact, reasons for the same: Internal Control process donot require financial impact and Management is already taken remedial steps to control the stock management process.

(iii) Auditors' Comments on (i) or (ii) above:

III. Signatories:	
Mr. Riyaz Ganji Managing Director DIN: 02236203	LIBAS CONSUMER PRODUCTS LIMITED MUMBAI
CFO Mr Mohammed Sakerwala	LIBAS CONSUMER PRODUCTS LIMITED MUMBAI Sakerwala
Audit Committee Chairman Mr. Ashish Dubey	
Statutory Auditor	For Choudhary Choudhary & Co. Chartered Accountants Firm Regn. No. 002910C CHOUDHARY CHOUDHARY & CO. MUMBAI Chartered Accountants CA Alok Kumar Mishra Partner M.No:124184

Place: Mumbai
Date:13th June, 2025