2024-2025

ANNUAL REPORT

TELANGANA INDUSTRIAL HEALTH CLINIC LTD

TIHC

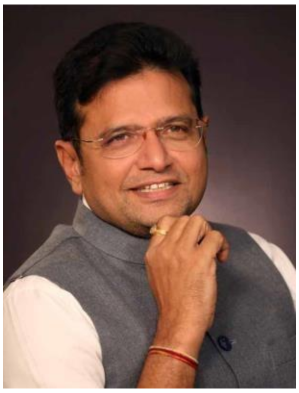
Telangana Industrial Health Clinic Ltd, an innovative institution was promoted by the Government of Telangana in the year 2017 to provide holistic help to the stressed Micro and Small enterprises (MSEs) in the Manufacturing space suffering from various problems, particularly in the areas of inadequate financial support, financial stress, and incipient sickness. Its long-term goal is to improve the ecosystem surrounding this segment of the industry so that the incidence of stress and sickness can be brought down over a period of time. The Company is registered as a Non-Banking Finance Company with RBI.

TIHCL is supported by an experienced team of Management, younger operational executives and experienced consultants and alliances committed to contributing to the purpose. TIHCL believes that timely handling of financial stress and preventing Industrial sickness is an integral part of the development process. The majority of micro and small manufacturing enterprises face issues because they are unorganized and are constrained by stricter regulatory, financial, and recovery norms along with a lack of awareness.

This institution engages and coordinates with lending institutions and stressed entrepreneurs to help find solutions acceptable to both of them. TIHCL strives to provide solutions for financial and non-financial stress faced by MSEs, in the State of Telangana within the gamut of industry ecosystem comprising Entrepreneurs, Banks, FIs / Industries Department, and other stakeholders. Some of the services offered by TIHCL are:

A. Non-financial Services:
- Consultation services such as Diagnostic studies, Financial Viability Reports, and Revival Plans including dealing with Banks and FIs.
- Account Monitoring and Hand Holding services of Stressed and Restructured units
- Priority release of sanctioned subsidies/investments by the State Government
- Onboarding services to Electronic Platforms like GeM / TReDS

B.Financial Services:
- Loans by way of Margin Money, Critical Account Funding for stressed entrepreneurs
- Bridge Loans against sanctioned Investment subsidy and other incentives.
- Exclusive Loan Products for women entrepreneurs.



Sri Duddilla Sridhar Babu

The Hon'ble Minister for Information Technology, Electronics & Communications, Industries and Commerce & Legislative Affairs

Government of Telangana

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MESSAGE

Micro and Small Manufacturing Enterprises continue to play a pivotal role in providing employment to skilled and semi-skilled people across both rural and urban areas of Telangana. These enterprises are instrumental in sustaining and nurturing traditional skill sets throughout the State. However, with limited resources and modest financial strength, their resilience to business dynamics remains constrained. Therefore, sustained financial and non-financial support along with supportive policy frameworks are essential for their continued growth and survival.

To promote rapid industrial growth, the State Government of Telangana has proactively formulated and implemented various industrial policies that serve as catalysts for creating a conducive business environment, boosting competitiveness, and enhancing enterprise capabilities.

The MSMEs contribute substantially to the State's economic ecosystem by **fostering entrepreneurship and generating significant employment opportunities at relatively lower capital investment**, making them one of the key drivers of inclusive economic development.

In alignment with the vision of a progressive Telangana, the State Government has taken several proactive measures, like implementation of new MSME Policy – 2024 Guidelines, establishment of **Industrial Clusters, Food Processing Zones, and Textile Parks**, to further strengthen the industrial ecosystem and incentivize promoters to set up and expand their units.

Against this backdrop of balanced policy support and industrial growth, **Telangana's economy continues to demonstrate robustness**, with strong performance indicators including commendable growth in per capita output and investment across sectors during 2024-25.

Despite these positive developments, a few enterprises face stress or sickness due to structural and operational challenges. Addressing these issues effectively at a larger scale poses a challenge for Banks and Financial Institutions. To bridge this gap and provide targeted support to stressed Micro and Small Manufacturing Enterprises, **Telangana Industrial Health Clinic Limited (TIHCL)** was established as a **diagnostic and curative institutional mechanism** to revitalize and rehabilitate such units across the State.

I am pleased to note that **TIHCL** continues to provide essential support and services to MSMEs in distress, enabling many units to prevent stress, recover from operational challenges, and resume normal business activities.

I extend my best wishes to **TIHCL** for its continued success and impactful contribution to Telangana's SME ecosystem.

Sd/-
DUDDILLA SRIDHAR BABU

SRI K. RAMAKRISHNA RAO, IAS

The Hon'ble Chief-Secretary

Special Chief Secretary of the Industries & Commerce (I &C) (FAC) the Telangana Government

MESSAGE FROM CHAIRMAN

Micro and Small Enterprises continue to play a pivotal role in providing employment opportunities at comparatively lower capital costs and contribute significantly to the economy through wealth creation and exports. This segment employs a large number of skilled and semi-skilled workers and facilitates both rural and urban industrialization, thereby promoting inclusive growth and balanced development of the State

During **2024–25**, the industrial sector has continued to be a key contributor to the State's economy, with its share in the **Gross State Value Added (GSVA) at current prices estimated at around 16%**, while **nearly 21% of the working population** in the State is engaged in industrial activities. This underscores the importance of sustained policy support for the Industrial Sector and specifically to MSMEs.

The Government of Telangana remains firmly committed to employment generation by focusing on increasing the number of MSMEs and enhancing the scale and competitiveness of existing enterprises. The business-friendly policies and proactive measures taken by the State Government have emerged as a role model for fostering an inclusive and sustainable economy, creating a conducive environment that continues to spur industrial growth across the State.

The State has made consistent efforts to promote the growth of MSMEs through innovative and progressive policies, resulting in increased investments and employment opportunities. MSMEs in Telangana continue to be a vibrant and diverse sector, playing a pivotal role in driving employment, stimulating industrial growth, and contributing to overall economic development. The Government's focus on both expansion and upscaling of MSMEs remains central to its development strategy.

Telangana has also undertaken several policy initiatives and administrative measures to assist enterprises in overcoming post-COVID challenges and to enable a smooth transition to normal and hassle-free manufacturing operations. In addition, measures have been taken to ensure uninterrupted functioning of other units, thereby sustaining employment generation. These initiatives have contributed to steady growth in employment and wealth creation across the State.

However, due to inherent operational and financial challenges, a section of enterprises continues to experience stress or sickness. Given the scale of such cases, it becomes increasingly difficult for Banks and Financial Institutions to proactively address them in a timely manner. To prevent incipient sickness and to provide structured support for revival, restructuring, and rehabilitation, **Telangana Industrial Health Clinic Limited (TIHCL)** was established to deliver focused assistance at the micro level through continuous and meaningful engagement with all stakeholders.

I am pleased to note that **TIHCL has further strengthened its operations during the Financial Year 2024-25**, extending timely and sustained support to stressed and sick units and facilitating their revival and rehabilitation.

I wish **TIHCL** will continue to succeed in its future endeavors.

Sd/-
SRI K. RAMAKRISHNA RAO

OUR DIRECTORS

Shri K. Shashanka, I.A.S

Shri Konduru Shashanka, IAS (2013 Batch, Telangana Cadre), is presently serving as Commissioner, Future City Development Authority and Vice Chairman & Managing Director of Telangana State Industrial Infrastructure Corporation. An accomplished administrator with extensive experience in governance, infrastructure, urban development, and industrial promotion, he has held several key positions including Director of Mines & Geology, Commissioner – Flagship Projects, and District Collector of Rangareddy, Karimnagar, Mahabubabad, and Jogulamba Gadwal districts.

A Chartered Accountant by qualification with professional experience at Ernst & Young.

Shri Nikhil Chakravarthi J, IA&AS

Shri J Nikhil Chakravarthi is a senior officer of the Indian Audit & Accounts Service (IA&AS), currently serving as Director of Industries for the Government of Telangana. With a distinguished career in public finance, infrastructure development, and audit governance, he brings strategic leadership to the state's industrial growth agenda. His prior roles include serving as Executive Director of Telangana Industrial Infrastructure Corporation (TGIIC) and holding additional charge as Special Commissioner – Commercial Taxes, reflecting his versatility across revenue, infrastructure, and compliance domains.

Shri P Mohanaiah

Shri. Mohanaiah is a retired Chief General Manager; NABARD and he is a Postgraduate in Economics from Osmania University. He brings rich and a varied experience in Banking and Rural Development. He started his career as a Branch Manager in Nagarjuna Grameen Bank (NGB) in the Khammam District of Andhra Pradesh. Over 35 years, he has served in NGB, Management Development Institute (MDI) Gurgaon, Reserve Bank of India (RBI) and NABARD in various capacities. He has worked in various locations including Maharashtra, Gujarat, Andhra Pradesh, Northeastern States and West Bengal.

Shri Ravi Kumar Rachakonda

Sri Ravi Kumar Rachakonda is a postgraduate by qualification and a well-known Industrialist based in Hyderabad. He holds directorships in various companies and serves as the Executive Director at M/s. ZETATEK Technologies Pvt Ltd (a merged and single unified entity of Motion Dynamic Private Limited and Zetatek Industries Private Limited). He was also associated with Glaxo India Ltd. for nine years before embarking on his industrial career. He is the President of The Federation of Telangana Chambers of Commerce and Industry (FTCCI)

REPORT ON CORPORATE GOVERNANCE

TIHCL's Governance Philosophy

TIHCL defines Corporate Governance as a systemic process by which companies are directed and controlled to enhance their sustainability and profitability. TIHCL believes that the governance process should ensure that, company's resources are utilized in a manner that meets stakeholders' aspirations and societal expectations. This belief is reflected in the Company's deep commitment to contribute to the "triple bottom line", namely conservation and development of the state's economic, social and environmental capital.

TIHCL Corporate Governance structure, systems and processes are based on five core principles:

1. Protecting and enhancing the 'values' of the organization
2. Regulatory compliance oversight
3. Strategic direction
4. Preserving the independence, autonomy and transparency within the Board defined framework
5. Ensuring ethical practices in the Organization

The Governance Structure

TIHCL has adopted the best corporate practices and is committed to conduct its business in accordance with the applicable laws, rules and regulations. The corporate governance framework is based on an effective independent Board, separation of the supervisory role of the Board from the executive management team and proper constitution of committees of the Board. The company's Board of Directors comprise of professionals who have vast experiences in relevant fields numbering 6 including three Independent Directors.

The company has been complying with all the requirements of

- A Non-Banking Financial Institution without accepting public deposits subject to the conditions of the Reserve Bank of India.
- All applicable corporate governance norms in relation to the constitution of the Board and Committees.

The practice of Corporate Governance in TIHCL takes place at three interlinked levels:

A	Strategic Supervision	By Board of Directors
B	Strategic Management	By Management Committee (MC)
C	Execution	By the Managing Director assisted by Chief Operating Officer

The three-tier governance structure ensures that:

A. Strategic supervision is free from involvement in the task of strategic management of the Company. The strategic supervision is conducted by the Board with objectivity, thereby sharpening accountability of management.

Composition of the Board as on 31st March 2025

Category	No of directors	Names
Whole-time Directors	0	Managing Director
Official Directors	3	Shri Jayesh Ranjan, I.A.S Dr E Vishnuvardhan Reddy, I.F.S Dr G Malsur
Independent Directors	3	Dr. A.S. Ramasastri Shri P Mohanaiah Shri Ravi Kumar Rachakonda
Total	**6**	

Details of Board Meetings during the financial year 2024-25

As against 4 meetings to be conducted, all the 4 have been conducted during the year as per details below:

Sl.	Date	Board Strength	No. of Directors Present
1	20/06/2024	6	5
2	03/09/2024	6	6
3	09/12/2024	6	5
4	12/03/2025	6	6

Attendance at Board Meetings and at Annual General Meeting (AGM) during the FY

Director	No. of Board Meetings attended	Attendance at AGM
Shri Jayesh Ranjan	04	01
Dr. E. Vishnu Vardhan Reddy	04	01
Dr G Malsur	04	01

Dr. A.S. Ramasastri	02	01
Shri P Mohanaiah	03	01
Shri Ravi Kumar Rachakonda	03	01

Leave of absence is granted to-	On the dates
Dr. A.S. Ramasastri	03.09.2024 and 12.03.2025

B. Strategic Management of the Company's business is vested with Management Committee (MC) within Board approved direction and realization of goals of the Company. The primary role of the MC is to act as brains behind the business model to realize the objectives in accordance with the Board approved plan. The MC also assesses the performance of the company, on an ongoing basis.

Composition of Management Committee

Category	No. of Directors	Names
Whole - time Directors	0	Managing Director
Non - Executive Independent Directors	3	Dr. A.S. Ramasastri Shri P Mohanaiah Shri Ravi Kumar Rachakonda
Total	3	

Details of Management Committee Meetings held during the financial year 2024-25

Sl. No	Date	MC Strength	No. of Directors Present
1	31/08/2024	3	3
2	27/09/2024	3	3
3	23/11/2024	3	3
4	03/02/2025	3	3

Director	No. of Meetings attended
Dr. A.S. Ramasastri	03
Shri P Mohanaiah	03
Shri Ravi Kumar Rachakonda	03

C. There is well-established set of policies and procedures followed in lending processes in revival of the MSE units. The products offered in revival package and their features, terms and conditions, including those related to effective interest rates, processing fees and other charges, penalties for delays in repayment or for prepayment/pre-closure, are clearly mentioned in the loan agreement and/or sanction letter, as per RBI's Fair Practices Code for NBFCs. All the customer level and loan level information are being stored in both electronic and as physical formats to ensure smooth functioning of the business.

WHISTLE BLOWER POLICY

TIHCL has incorporated Whistle Blower Policy in the 2nd Board Meeting of the year 2018-19.

The whistle Blower Policy of TIHCL would involve the following:

1. Keeping in view of the substantial personal and professional risk involved in the process, TIHCL mandatorily keeps the confidentiality of the person and information revealed in the process, within the bounds of laws of the country.
2. The Independent Director would keep the Chairman of the Board informed through a strictly confidential note in a sealed cover the information so received.
3. The Independent Director would escalate the issue through the Chairman to the Serious Fraud Investigation Office of Government of India within 24 hours of completing the preliminary inquiry with such information as warranted.
4. Under no circumstances, such information shall be discussed in the media or public glare.
5. It shall be the responsibility of the Managing Director & CEO to ensure that the architect of fraud will not qualify for any award through concealment or postponement of the act of punishment.

MSMES IN INDIA

MSME Sector Overview (2024–25)

The Government of India has defined Micro, Small, and Medium Enterprises MSMEs under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. MSMEs comprise enterprises engaged in the production, manufacturing, processing, and preservation of goods, as well as those providing a wide range of services.

The MSME sector continues to be one of the most significant pillars of the Indian economy, making substantial contributions to employment generation, industrial output, exports, and inclusive socio-economic development. The sector plays a crucial role in fostering entrepreneurship and accelerating the development of backward and rural regions, thereby ensuring balanced regional growth.

As per MSME Ministry and Udyam Registration data up to 2024–25, India has an estimated over 73 million MSMEs, making it one of the largest MSME ecosystems in the world. The sector remains a major driver of India's economic growth, employing over 240 million people, which accounts for around 40% of the national workforce. MSMEs contribute approximately 30% to India's Gross Domestic Product (GDP) and nearly 46% of the country's total exports, highlighting their strategic importance in the national economy.

Current MSME Classification (as per MSMED Act, 2006 – in force)

Category	Investment in Plant & Machinery (₹ Cr)	Turnover (₹ Cr)
Micro	Up to 1	Up to 5
Small	>1 to 10	>5 to 50
Medium	>10 to 50	>50 to 250

To simplify compliance and encourage growth, effective April 1, 2025, the Government of India revised the MSME classification by significantly increasing investment and turnover limits, applicable uniformly to manufacturing and service enterprises, as below:

Category	Investment in Plant & Machinery (₹ Cr)	Turnover (₹ Cr)
Micro	Up to 2.50	Up to 10
Small	>2.50 to 25	>10 to 100
Medium	>25 to 125	>100 to 500

Benefits of the Revised MSME Classification

The turnover-based reclassification has significantly improved ease of doing business for MSMEs by:

- Eliminating frequent inspections related to investment verification
- Ensuring transparency, objectivity, and non-discriminatory assessment
- Allowing enterprises to grow without fear of losing MSME benefits
- Promoting formalization through digital platforms such as Udyam Registration

Importance of MSMEs in the Indian Economy (2024–25)

Globally, MSMEs are recognized as engines of economic growth and instruments of equitable development. In India, the MSME sector continues to deliver high growth rates owing to low capital requirements, operational flexibility, and adaptability to indigenous technologies.

Key contributions of MSMEs during 2024–25 include:

1. **Employment Generation:** MSMEs employ over 240 million persons, making it the second-largest employment-generating sector after agriculture.
2. **Contribution to GDP:** With more than 73 million units, the MSME sector contributes around 30% to India's GDP, reinforcing its role as a backbone of the economy.
3. **Growth Aspirations:** The Government of India aims to enhance MSME contribution to nearly 50% of GDP in the coming years, aligning with the vision of a $5 trillion economy.
4. **Exports Contribution**: MSMEs account for approximately 45–46% of India's total exports, supporting foreign exchange earnings and global trade integration.
5. **Inclusive Growth**: MSMEs promote inclusive development by providing employment opportunities to women, youth, and socially weaker sections, particularly in rural and semi-urban areas.
6. **Financial Inclusion**: MSMEs in Tier-II and Tier-III cities facilitate increased adoption of banking, digital payments, and formal credit systems.
7. **Innovation and Entrepreneurship**: MSMEs serve as a platform for innovation and start-ups, enabling first-generation entrepreneurs to develop new products, enhance competition, and drive economic dynamism.

The Indian MSME sector continues to provide silent yet resilient support to the national economy and acts as a buffer against global economic uncertainties and shocks. Through sustained policy support, institutional mechanisms, and entrepreneurial spirit, MSMEs are powering a quiet but transformative economic revolution.

TELANGANA

Telangana, a vibrant landlocked state in Southern India, became the country's 29th state on June 2, 2014. It shares its borders with Maharashtra to the north and west, Chhattisgarh to the northeast, Karnataka to the west, and Andhra Pradesh to the south and east. Hyderabad is the state capital. Telangana's landscape is diverse, ranging from the fertile plains of the eastern Deccan Plateau to the rolling hills and forests of the Western Ghats in the north.

The region lies between 15°50'10''N and 19°55'4'' N latitudes and 77°14' 8'' E and 81°19'16'' E longitudes. Telangana is ranked 12th in the country in terms of population, with 350.04 Lakh residents as per the 2011 Census and ranked 11th in area (1,12,077 sq. km). The population is distributed across the State's 33 districts, each with unique socio-economic characteristics. The Godavari and Krishna rivers have majorly drained the region, with 79% and 69% of the catchment areas, respectively. The official languages of the state are Telugu and Urdu. The state has 620 mandals and 12,769 Gram Panchayats.

The Industrial Sector's contribution to the state economy has remained steady at around 18% of the Gross State Value Added (GSVA), and as of 2023-24 (AE), it stands at 18.5%. The sector's contribution to Telangana's GSVA at current prices has increased by 10.1%, rising from Rs. 2,25,663 crore in 2022- 23 (FRE) to Rs. 2,48,505 crore in 2023- 24 (AE).

MSMEs IN TELANGANA

Micro, Small, and Medium Enterprises (MSMEs) play a crucial role in Telangana's economy, driving significant economic growth, employment generation, and fostering innovation. They contribute substantially to the state's GDP and exports, providing extensive employment opportunities, particularly in rural and semi-urban areas, which helps prevent migration. Recognizing this, the current government has taken significant steps to boost the sector's growth by establishing more MSME clusters across the state.

The Telangana Industrial Infrastructure Corporation (TGIIC) is actively identifying and developing land to accommodate companies interested in investing in the state. It is focused on creating world class industrial infrastructure to attract more entrepreneurs, with nearly 70% of land allotments designated for MSMEs.

Between 2020-21 and 2023-2024, Telangana's total number of registered MSME units stands at 9,21,883. Out of the total registered units in the reference period, 1,90,669 were registered under the manufacturing sector, while 7,31,214 units were registered under the service sector. A further breakdown of the data reveals that 8,92,147 were micro-enterprises, 26,708 were small enterprises, and 3,028 were medium enterprises, respectively (as shown on the UDYAM portal).

Initiatives of the State Government

1. **MSME Policy 2024:** The Telangana government has launched the MSME Policy 2024, aiming to revitalize and strengthen MSMEs by leveraging digital tools and data-driven decision-making. Key objectives include:
   - Enhancing Transparency: Implementing digital platforms to streamline processes and reduce bureaucratic hurdles.
   - Streamlining Regulatory Reporting: Simplifying compliance requirements to ease the operational burden on MSMEs.
   - Increasing Access to Global Markets: Facilitating MSMEs' entry into international markets through targeted support and resources.

2. We-Hub (Women Entrepreneurs Hub)

Women Entrepreneurs Hub (WeHub) is an innovative platform of the state government which promotes women's entrepreneurship. WeHub aims to democratise women's entrepreneurship across socioeconomic strata. It is an aspirational space for women to ideate, implement, and inspire through impactful transformations and innovations, particularly in Tier2 and Tier-3 cities. WeHub builds an ecosystem of government agencies, industries, corporations, academia and international agencies to create a supportive community of resources for women entrepreneurs. This initiative provides women entrepreneurs with technical, financial, government and policy support to start, scale up, sustain and accelerate growth. Currently, around 6377 start-ups and Small and Medium Enterprises (SMEs) are functioning as a part of WeHub, with around 122 partners. 88 start-up programmer have been taken up, and 76% of the startups have a 2-year survival rate. WeHub has made 7,829 engagements and interventions till now.

3. Geo-Tagging

The looms of the weavers are geotagged and assigned a unique digital code. This information is utilized to implement welfare schemes and direct benefits transparently to genuine weavers through Direct Benefit Transfer (DBT). Currently, there are 22,529 Geo-Tagged handlooms and 43,455 Geotagged power looms respectively.

4. InvoiceMart (TReDS Platform)

An MoU signed in **March 2023** aims to increase MSME awareness and onboarding on the **TReDS platform**, enabling faster realization of receivables through invoice discounting and improved cash flow management.

5. SIDBI Partnership

The Government of Telangana entered into an MoU with **SIDBI** for deploying a **Project Management Unit (PMU)** to:

- Design equity support and interest subvention schemes
- Address stressed MSMEs
- Facilitate onboarding on digital platforms such as **PSB Loans in 59 Minutes**, **GeM**, **stock exchanges**, and **e-commerce platforms**
- Support **Telangana Industrial Health Clinic Limited (TIHCL)** in revival of sick MSEs
- Implement the **State Cluster Development Fund (SCDF)**

6. NSE – Emerge Platform

Through an MoU with **NSE**, MSMEs are being encouraged to raise capital via the **NSE Emerge SME Exchange**, with the State exploring reimbursement of listing expenses and the creation of a government-backed equity participation fund.

7. Just Dial

A MoU signed in **March 2022** provides registered MSMEs with **free digital listings and online business facilitation services**, enhancing market visibility and outreach.

COMPANY OVERVIEW

Telangana Industrial Health Clinic started its journey on 17.01.2018 as Non-Banking Finance Company promoted by Government of Telangana. The Company's objective is to provide a holistic support to the stressed Micro and Small enterprises in Manufacturing space (MSEs) suffering from incipient sickness and sickness as majority of micro and small manufacturing enterprises face innumerable problems, because they are unorganized and are strangulated by stricter regulatory, financial and recovery norms. Its long-term goal is to improve the eco system surrounding this segment of the industry so that the incidence of sickness can be brought down over a period of time.

Founded on the principles of Empathy for MSEs, Improvement of eco system and Lean management institutional practices, with expert leadership at the helm of its affairs, TIHCL is supported by expert team of Management, younger operational executives and experienced consultants and alliances committed to contribute for the purpose. Our innovative institution has been set up to address the challenges of MSEs. TIHCL believes preventing Industrial sickness is an integral part of the development process.

This institution works in close coordination with the existing lending institutions and rebuilds the trust between them and the stressed entrepreneurs. It supplements and works with the existing lending institutions. TIHCL strives to provide solution for financial and non-financial problems faced by MSEs. It has been established to be a preventive as well as curative clinic for stressed MSEs in the State of Telangana within the gamut of industry ecosystem comprising Entrepreneurs, Industries Department/ DICs, Ministry/Government, Banks, Financial Institutions, and other stakeholders.

Vision	Mission	Values
• To Build and Develop Sustainable entrepreneurial ecosystem dealing with challenges of Manufacturing MSEs in the State of Telangana.	• To Guide, Mentor and Support Manufacturing MSEs.	• Dharma - Righteousness • Loka Sangraha- Public Good • Kaushalyam - Skill & Efficiency • Vaividhyatha- Innovation • Jignasa – Learning

What we provide

1. Credit Facilitation

Providing the supplementary finance or part-equity required by new enterprises in cluster locations at the stage of business commencement. Our objective is to provide credit facilitation at concessional rate of interest and ensuring at the same time that the entrepreneur has adequate stake in the enterprise. Clusters have the advantage of forward and backward integration, thus having a higher benefit than units set up elsewhere.

2. Overdue Bill Purchase

TIHCL will provide finance to entrepreneurs on bills which are overdue for payment after discounting with bank. The bill if not paid beyond 90 days after due date will lead to account being classified as NPA. TIHCL will provide finance to such bills by purchasing and help entrepreneurs to distance from NPA trap. TIHCL will finance only bills drawn on PSU and government departments.

3. Critical Amount Funding (CAF)

TIHCL Provides loan facility for repayment of critical amount to stressed enterprises, which would prevent them slipping into NPA. In diagnostic study if the enterprise is viable for revival, a loan for the repayment of critical amount will be provided by TIHCL for onward payment to the bank to bail out unit from becoming NPA by taking Pari- Passu charge from the bank.

4. Stressed Asset Financing (SAF)

Based on the Diagnostic / TEV study conducted by TIHCL, where felt necessary, if the applicant unit is found potentially viable, we would approach the unit's Bank to off-load the asset along with the collateral securities if any held by them towards that account.

5. Bridge Finance

TIHCL will provide finance against sanctioned investment subsidies / incentives (T-Idea). TIHCL will provide finance up to 75% of sanctioned investment subsidy / incentive generally and other subsidies on a case-to-case basis.

Women Focused Loan products

6. NARI (Nari Assistance Revival of Industry)

This product is devised for offering to Women Entrepreneurs at concessional rates. We identify the problems of the enterprise in diagnostic study and support them along with handholding, wherever required.

7. WE (Women Enterprise) Loans

TIHCL will provide financial assistance to existing manufacturing enterprises managed and owned by women entrepreneurs and provide Counselling and guidance to run and/or expand the business.

8. SWASHAKTI

TIHCL will provide financial assistance to new manufacturing enterprises managed and owned by women entrepreneurs in providing Pre-entry project assistance, counselling and helping hand and guidance in compliance to start and run a Manufacturing Industrial enterprise.

9. General Purpose Composite Term Loan

The main objectives of the product are to consider the following requirements of the entrepreneur:

a. To consider sanction of a Term Loan facility to finance all movable fixed assets of the Unit.

b. A portion of the limit is to be allotted for term loan requirements and the balance portion to meet their working capital requirements.

10. Priority Release of Sanctioned Investment Subsidy / Other Incentives

TIHCL, on receipt of reference from Industries and Commerce Department, will conduct a study, in coordination with respective District Industries Centre, on the financial stress, if any, of an Enterprise & submit recommendation to the I&C dept through its Study Report, for consideration of early release of sanctioned investment subsidy (T-Idea).

Raising and Accelerating MSME Performance (RAMP)

The RAMP (Raising and Accelerating MSME Performance) project in Telangana is a World Bank supported initiative by the Indian government's Ministry of MSME, implemented in partnership with the state's Industries Department, to boost Micro, Small, and Medium Enterprises (MSMEs) by improving market access, access to credit, technology, and capacity building for growth, formalization, and innovation.

TIHCL Role

Reviving Distressed MSMEs

The Telangana Industrial Health Clinic (TIHCL) has been instrumental in providing support to sick and stressed micro and small industries in the State through financial and non-financial assistance. With this background, TIHCL has been identified as one of the Implementing Agency (IA) under RAMP Scheme to implement the Project Component of "Reviving Distressed MSMEs".

Objectives:

- To enhance accessibility of TIHCL's services by a larger number of distressed MSEs
- To strengthen capacities of MSMEs through awareness, skill development and knowledge sharing
- To facilitate more partnerships with financial institutions to cater to MSMEs

Major Activities / Sub Activities:

a. Revival and Rehabilitation of stressed SMEs through Debt financing and facilitating them to opt for public equity through IPO listing.

b. Strengthen capacities of MSMEs by facilitating more partnerships by trainings & Workshops.

c. Creating awareness about various sources of funding other than debt finances like SME IPO from NSE.

d. Internal capacity strengthening of TIHCL

Outcomes:

a) TIHCL Financial Intervention can help the MSMEs to ease their distress and enable them to continue the manufacturing activity, thereby protecting the existing employment and creation of wealth both to the Government and for themselves.

b) Financial Literacy helps the MSMEs to navigate FI's norms

c) Assist the unorganized units to formalize, so that they can derive benefits of various schemes designed for MSME Sector

Operations of TIHCL

The company as on 31st March 2025 handled 893 clients providing them consultancy and advisory services thereby providing resolution to their problems, in the last 7 years. It has also provided funding assistance for 62 to the extent of Rs.863.52 Lakh. TIHCL has provided Diagnostic study reports for 878 units helping with the priority release of incentives in the last 7 years.

MOUs have been entered with 7 organizations including State Bank of India and Federation of Telangana Chambers of Commerce.

Marketing Strategy

a. TIHCL engages with Banks and MSMEs involving considerable time in awareness and identifying the potential enterprise. Apart from this TIHCL is also engaged with Industrial associations and IALAs.
b. TIHCL has spread its wings by conducting training sessions to IPOs and COI staff to make them familiarized with Banking terminology and which in turn helps MSEs
c. A new initiative of Doorstep engagement with the Micro and Small entrepreneurs who are facing stress at the industrial clusters has been started with a view to enhancing our involvement so that adequate help can be provided. This engagement intends to resolve the issues, financial or non- financial, faced by the businesses at the ground level. Initially started with Patancheru and Pashamailaram clusters.
d. Additional New services have been introduced to help enterprises for onboarding into online portals such as TReDS (Trade Receivables Discounting System) , Udyam registration, and GEMs implementation.
e. To identify the reasons for stress in SMEs, particularly in post covid scenario, a study has been conducted with a sample base of 309 units in Cherlapally Industrial Area. Basing on the study findings, we have initiated action in other Industrial areas also to help the needy entrepreneurs to avoid stress in the units.

Growth strategy

Our growth strategy is to increase productivity in terms of marketing by reaching potential industrial parks and other areas, digital communications and close engagement providing non-financial and financial support.

Way Forward

Structure driven traction with the help of existing institutional mechanisms, i.e. banks, NBFCs local bodies etc., continues to prove challenging. While meeting these challenges the way forward in the space of revival will be:

- TIHCL will extend need-based financial support to **stressed Micro and Small Manufacturing Enterprises (SMEs), specifically under RAMP Scheme.**
- To encourage and guide the needy entrepreneurs to opt for alternate source of finance, like raising equity through NSE Emerge IPO option.
- **20 Financial Literacy and Awareness Programs** will be conducted across Industrial Estates / Districts to educate entrepreneurs on financial management, credit discipline, and access to formal finance channels.
- Establish a **joint coordination mechanism** for periodic review of cases, ensuring seamless communication and faster turnaround times in supporting distressed enterprises.
- Develop a **shared digital platform** between TIHCL and DIC for tracking applications, sharing enterprise-level insights, and ensuring transparency in processing.
- Develop and deploy a **Technology Mechanism** for real-time identification and monitoring of financial stress among MSMEs through data analytics, sectoral trends, and early-warning indicators.
- Effort to improve the eco system.
- Exploring for new products to assist the stressed / incipient sick Manufacturing SME Units.

Risk Management

The Company recognizes the importance of Risk Management in terms of identification, measurement, mitigation and monitoring. Our risks are in the areas of Credit risk, Operational risk, Regulatory risk and Market Risk. Besides Credit, other risks, going forward, would be liquidity, interest rate and reputational risk. With the directives of RBI as regards applicability of NBFC norms even to Government Companies, the compliance risk is also significant. TIHCL has required systems in line with the portfolio to address and take care of the risks. The Company has put in place certain basic measures to take care of the risks associated with its operations. New products as and when introduced are weighed in the light of comprehensive risks associated with such products, mitigation thereof suitably.

DIRECTORS' REPORT

Dear Members,
Telangana Industrial Health Clinic Limited
HDC017, M D AP, IND DEV Corporation Parishrama Bhavan,
5-9-58/8, Fateh Maidan, Road, Hyderabad, Telangana, India, 500029

Your Directors have pleasure in presenting the 08th Annual Report on the business And operations of the Company together with the Audited Statement of Accounts of your Company for the financial year ended 31st March 2025.

FINANCIAL HIGHLIGHTS

The Company's financial performance for the year ended 31st March, 2025 is summarized below:

(Amount in '000)

Particulars	Year ended 31st March 2025.	Year ended 31st March 2024.
Revenue from Operations	5184.98	19560.81
Other Income	11762.59	9648.84
Total Revenue	**16947.57**	**29209.65**
Expenses	14132.40	18379.11
Depreciation	133.41	2061.44
Total Expenses	**14265.81**	**20440.55**
Profit before exceptional and extraordinary items and Tax	2681.76	8769.10
Add: Prior Period Items	176.08	5.86
Profit/ (loss) Before Taxation	2857.84	8774.96
Less: - Current Tax - MAT Credit - Deferred Tax	514.18 Nil 114.84	1987.73 (120.79) (350.00)
Profit After Tax	**2228.82**	**7258.02**

STATE OF THE COMPANY'S AFFAIRS AND FUTURE OUTLOOK

During the financial year ended 31st March 2025, the company earned revenue of Rs. 169.48 lakh and incurred expenses of Rs. 142.66 lakh. Company has got profit of Rs. 22.29 lakh. The company has earned a profit of Rs.22.29 Lakh as against a profit of Rs.72.58 Lakh for the previous financial year, after making adjustment for Deferred tax amount of Rs. 1.15 lakh.

MATERIAL CHANGES AND COMMITMENTS

No material changes or commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report.

DIVIDEND

No dividend is being recommended as the company has not met with the requirements prescribed by RBI for declaration of dividend.

TRANSFER TO RESERVES

An amount of Rs.4.46 lakh, was transferred to the Statutory Reserve during the financial year ended 31st March 2025.

DEPOSITS

The Company is a non-deposit taking NBFC and thus has not accepted any public deposits during the financial Year 2024-25.

SHARE CAPITAL

The Authorized Share Capital of the Company is Rs. 11,00,00,000/- divided into 11,00,000 equity shares of Rs. 100/- each.

The Paid-up capital of the company is Rs. 10,02,60,000/- divided into 10,02,600 equity shares of Rs. 100/- each. There is no change in the capital during FY 2024-25.

MEETINGS OF THE BOARD OF DIRECTORS

For the financial year ending 31st March 2025, 4 (Four) Meetings of the Board of Directors of the Company were convened and held on 20.06.2024, 03.09.2024, 09.12.2024 and 12.03.2025.

LOANS, GUARANTEES AND INVESTMENTS

Details of Loans, covered under the provisions of Section 186 of the Companies Act, 2013, are given in the financial statements of the company.

DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES

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

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year ended 31st March 2025 were on an arm's length basis and were in the ordinary course of business. Therefore, the provisions of Section 188 of the Companies Act, 2013 were not attracted.

Further, there were no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, Key Managerial Personnel, or other designated persons which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required.

ANNUAL RETURN

As per Companies Amendment Act, 2017, wherein Section 92 (3) has been substituted with new provision which is as follows:

"Every Company shall place a copy of the Annual Return on the website of the Company, if any, and the web-link of such Annual Return shall be disclosed in the Board's Report in place of extract of Annual Return".

The copy of Annual Return in Form MGT-7 as on March 31, 2024, is available on the Company's website and can be accessed at the given web-link http://tihcl.telangana.gov.in

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

A. Conservation of Energy, Technology Absorption

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review.

B. Foreign Exchange Earnings and Outgo: NIL

RISK MANAGEMENT

The Board vide its Agenda item No. 7 in its meeting held on 12.10.2022 approved the Risk Management Policy and also constitution of Risk Management Committee (RMC) of the Board. During the year 2024-25 a meeting of the RMC was held on 03.10.2024.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weaknesses in the design or operation were observed, nevertheless such systems are continuously and from time to time evaluated for their efficacy and improvements, if any, required are implemented.

VIGIL /WHISTLE BLOWER MECHANISM

In pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013, a Vigil Blower Mechanism for directors and employees to report genuine concerns has been established.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

There has been change in the constitution of Board during the year under review, i.e., the structure of the Board is as follows:

S No	Name of Director	Designation	Date of Appointment	Date of Cessation
1.	Sri Jayesh Ranjan	Director	07.06.2017	-
2.	Dr. E Vishnuvardhan Reddy	Nominee Director	11.01.2024	-
3.	Dr Malsur G	Nominee Director	11.01.2024	-
4.	Sri Allamraju Subramanya Ramasastri	Independent Director	10.03.2024	-

5.	Sri Paladi Mohanaiah	Independent Director	20.06.2024	
6.	Sri R Ravi Kumar	Independent Director	24.07.2024	-
7.	Sri Kurelli Nagarjuna	Key Managerial Person -Company Secretary	07.12.2023	02.05.2024
8.	Ms Nikita Kumawat	Company Secretary	30.10.2024	-
9.	Sri U V V L Prasad	Key Managerial Person – Chief Financial Officer	07.12.2023	-

a) Shri Jayesh Ranjan, (DIN:00003692), Director of the company, ceased to be Director, w.e.f.,27.04.2025, on his transfer from his present posting of Special Chief Secretary to Government, ITE&C and Sports Dept., and posted as Special Chief Secretary to Government and CEO, Industry & Investment Cell in CMO and Smart Proactive Efficient and Effective Delivery (SPEED), vide G.0. Rt.No.515, dated 27.04.2025.

b) Shri Sanjay Kumar, I.A.S, (DIN:01884603) was appointed as the Director of the Company, w.e.f ., 27.04.2025, on his appointment as Special Chief Secretary to Government, Industries & Commerce Department and ITE&C and Sports Department vide G.0. Rt.No.515 dated 27.04.2025.

c) Dr. Malsur G, (DIN:07758168), Director of Industries, and Director of our Company was superannuated from the Services on 31st May 2025. On superannuation, he ceased to be a Director of the Company, w.e.f., 31.05.2025.

d) Shri Nikhil Chakravarthi, I.A.&A.S, (DIN:11188119) was appointed as Director of the Company, w.e.f., 12.06.2025, on his appointment as Director of Industries vide G.0. Rt.No.779 dated 12.0 6.2025.

e) Dr. E Vishnu Vardhan Reddy, I.F.S., (DIN:09802197], VC & MD, TGIIC, and Director of our Company was relieved from that post on 28.06.2025, vide G.O. Rt. No.851, dated 28.06.2025. On relieving from the post of VC & MD, TGIIC, he ceased to be a Director of the Company.

f) Ms Nikita Kumawat, Company Secretary and Key Managerial Person resigned and relieved from services on 01.05.2025.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Pursuant to MCA Notification dated 05th June 2015, the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable to a Government company.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company is committed to providing a safe and conducive work environment to its employees. The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year under review, no case of sexual harassment was reported.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provisions w.r.t. CSR are not applicable to the Company. Therefore, the Company had not constituted CSR committee.

STATUTORY AUDITORS

M/s. **MATHESH & RAMANA**, Chartered Accountants, Hyderabad, were appointed as Statutory Auditors under section 139 of the Companies Act, 2013 by the Comptroller and Auditor General of India to audit the Accounts of the Company for the period from 01.04.2024 to 31.03.2025.

REPORTING OF FRAUDS BY AUDITORS

During the year under review, statutory auditors have not reported to the Board, under Section 143 (12) of the Companies Act, 2013, any instance of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Director's report.

BOARD'S COMMENT ON THE AUDITORS' REPORT

The observations of the Statutory Auditors, when read together with the relevant notes on the accounts and accounting policies are self-explanatory.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

(a) in the preparation of the annual accounts for the year ended 31st March 2025, the Company has followed the applicable accounting standards and there are no material departures from the same.

(b) the Directors 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 of 31st March 2025 and of the profit and loss of the Company for that period.

(c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

(d) the Directors have prepared the annual accounts on a 'going concern' basis.

(e) the Company being unlisted, sub clause (e) of section 134(5) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company.

(f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

MAINTENANCE OF COST RECORDS

During the Financial Year 2024-25, the Company was not required to maintain any cost records and to appoint any Cost Auditor as Section 148(1) of the Companies Act, 2013 and Companies (Cost Records and Audit) Rules, 2014 were not applicable to the Company.

SELECTION OF INDEPENDENT DIRECTORS

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions are considered, as an Independent Director on the Board. The Board inter alia considers qualification, positive attributes, area of expertise and number of Directorship(s) and Membership(s) held in various committees of other companies by such persons in accordance with the Company's policy for selection of directors and determining directors' independence.

In the opinion of the Board the Independent Directors possess the integrity, expertise and experience (including the proficiency) of the independent directors.

DECLARATION GIVEN BY INDEPENDENT DIRECTORS

The company has received necessary declarations from each Independent Director of the company under Section 149(7) of the Companies Act, 2013.

THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the period under review, there was no application made nor any proceeding initiated or pending under the Insolvency and Bankruptcy code, 2016.

THE DETAILS OF DIFFERENCE BETWEEN 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

No loans were borrowed so far either from Banks or Financial Institutions.

GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the company under any scheme save and except Employees' Stock Options Schemes referred to in this report.
- There has been no change in the nature of business of the company.

ACKNOWLEDGEMENT

Your Directors wish to place on record their deep sense of appreciation for the committed contribution made by the employees at all levels, to the continued growth and prosperity of the Company.

Your Directors also wish to place on record their sincere appreciation for the assistance and co-operation received from the business associates, Government authorities, customers, vendors, banks and other financial institutions and shareholders of the Company for their continued support.

For and on behalf of the Board of Directors
Telangana Industrial Health Clinic Limited

Sd/-	**Sd/-**
Mohanaiah Paladi	**Sanjay Kumar**
Director	**Chairman & Director**
DIN: 03185251	**DIN: 01884603**

Date:04.09.2025

Place: Hyderabad

प्रधान महालेखाकार (लेखापरीक्षा)
का कार्यालय, तेलंगाना
सैफाबाद, हैदराबाद-500004.

SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

OFFICE OF THE PRINCIPAL
ACCOUNTANT GENERAL (AUDIT),
TELANGANA, SAIFABAD
HYDERABAD-500004

Lr. No. PAG (Audit)/TSC/AA/TIHCL/2024-25/408 Date: 15/01/2026

To
The Managing Director & CFO
Telangana Industrial Health Clinic Limited
#5-9-58/B, Parishrama Bhavanam
Fateh Maidan Road, Basheerbagh
Hyderabad – 500004

Sub: Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Financial Statements for the year ended 31 March 2025.

Sir,

I am forwarding herewith comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the Financial Statements of your Company for the year ended 31 March 2025 for necessary action.

2. The date of placing of Comments along with Financial Statements and Auditor's Report before the shareholders of the Company may please be intimated and a copy of the proceedings of the meetings furnished.

3. The date of forwarding the Annual Report and financial statements of the Company together with the Auditor's Report and Comments of the Comptroller and Auditor General of India to the State Government for the year ended 2024-25 for being placed before the Legislature may also be intimated. The date on which Annual Report is tabled in the Legislature may also be intimated.

4. Three copies of the Annual Report for the year ended 2024-25 are to be furnished in due course without fail.

Encl: as above

Yours faithfully,
Sd/-
(Dr. Sanjay Rao Kamineni IAAS)
Sr. Deputy Accountant General (AMG-II)

Phone No.: 040-22331393 https://cag.gov.in/ag/telangana/en E-mail : agautelangana@cag.gov.in Fax No. 040-23234157

सत्यमेव जयते

OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT) TELANGANA, HYDERABAD

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTTON 143(6)(b) OF THE COMPANTES ACT, 2013 ON THE FINANCIAL STATEMENTS OF TELANGANA INDUSTRIAL HEALTH CLINIC LIMITED FOR THE YEAR ENDED 31 MARCH 2O25

The preparation of the financial statements of **Telangana Industrial Health Clinic Limited** (Company) for the year ended **31 March 2025** in accordance with the financial reporting framework prescribed under Companies Act, 2013 (Act) is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 5 July 2025.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of the **Telangana Industrial Health Clinic Limited** for the year ended **31 March 2025** under section l43(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company's personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which, in my view, are necessary for enabling a better understanding of the financial statements and the related Audit Report.

A. Comments on Disclosure

Notes to Accounts

1. A reference is invited to Note No. 2.11 Current Investments under Notes to Accounts. The Market Value or the Net Asset Value (NAV) of the quoted investments in 08 Mutual Funds as on balance sheet date stands at Rs 10.09 crore. However, the same has not been disclosed in the financial statements in contravention of the 'General instructions for preparation of Balance Sheet, Profit and Loss account and Cash Flow Statement' prescribed under Schedule III of the Companies Act,20l3.

This resulted in non-compliance with the provisions of the Companies Act,2013.

For and on behalf of the
Comptroller & Auditor General of India

Sd/-
(P. Madhavi)
PRINCIPAL ACCOUNTANT GENERAL (AUDIT),
TELANGANA

Place: Hyderabad
Date: 09.01.2026

MATHESH & RAMANA
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of TELANGANA INDUSTRIAL HEALTH CLINIC LIMITED,

Report on the Audit of the Financial Statements

Opinion:

We have audited the Financial Statements of **M/s. TELANGANA INDUSTRIAL HEALTH CLINIC LIMITED** which comprise the Balance Sheet as at 31st March 2025, the Statement of Profit and Loss, Statement of Cash Flows for the year then ended, and Notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2025;
b) In the case of the Statement of Profit and Loss Account, of the profit for the period ended on that date and
c) In the case of the Statement of Cash Flow, of the cash flows, for the period ended on that date.

Basis for Opinion:

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

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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 Directors' Report and the Annexures thereto, but does not include the Financial Statements and our Auditor's Report thereon.

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

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

If, based on the work we have performed on the other information obtained prior to the date of this Auditor's Report, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements:
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 Board of Directors are also responsible for overseeing the Company's financial reporting process.

MATHESH & RAMANA
CHARTERED ACCOUNTANTS

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

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

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

- Identify and assess the risks of material misstatement of the 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls system 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.

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

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

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

Report on Other Legal and Regulatory Requirements:

1) As required by 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 and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us, we give **"Annexure-A"** a statement on the matters specified in the paragraphs 3 and 4 of the Order to the extent applicable to the company.

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.
   (c) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   (e) Since the Company is a Government Company, the provisions of sub-section (2) of section 164 of the Act regarding disqualification of directors are not applicable to the company pursuant to Notification No. GSR 463(E) dated 05.06.2015 issued by the Ministry of Corporate Affairs, Government of India.
   (f) In our Opinion and to the best of our information and according to the explanations given to us, we are of the Opinion that the Company has adequate internal Financial controls system in place and the operating effectiveness of such Controls. Refer to our separate report in "Annexure – B."
   (g) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules,2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its financial position.

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

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

iv.(a) The management has represented that, to the best of its knowledge and belief, 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 entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year hence compliance with provisions of Section 123 of the Companies Act 2013 does not arise.

vi. Based on our examination, which includes test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2025 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

MATHESH & RAMANA
CHARTERED ACCOUNTANTS

3) Since the Company is a Government Company, the provisions of sub-section (16) of section 197 of the Act regarding managerial remuneration are not applicable to the company pursuant to Notification No. GSR 463(E) dated 05.06.2015 issued by the Ministry of Corporate Affairs, Government of India.

4) As required by the Section 143(5) of Companies Act 2013, we furnish in Annexure - C the information on the directions issued by Comptroller and Auditor General.

For **MATHESH & RAMANA**
CHARTERED ACCOUNTANTS

Sd/-
K. MATHESH REDDY
M. No. 026285 Partner

Place: Hyderabad
Date: 05-07-2025
UDIN:25026285BMMKDN5594

MATHESH & RAMANA
CHARTERED ACCOUNTANTS

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

Re: TELANGANA INDUSTRIAL HEALTH CLINIC LIMITED

Referred to in Paragraph 1 under section (Report on other Legal and Regulatory Requirements of our Report of even date)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

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

(b) The Property, Plant and Equipment of the company have been physically verified by the management at reasonable intervals during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanation given to us, the title deeds of the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) being held in the name of the company does not arise as the Company does not have any immovable property.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanation given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made there under during the year.

ii. (a) The company is a Non-Banking Financial company, primarily helping Micro and Small enterprises in manufacturing sector by providing consultancy and financial services in the state of Telangana. Accordingly, it does not hold any physical inventories. Accordingly, clause3(ii)(a) of the order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, clause 3(ii)(b) of the order is not applicable to the company.

iii. During the year the company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties:

(a) According to the information and explanations given to us as the company is registered as an NBFC whose principle business is to give loans, accordingly Clause 3(iii)(a) of the order is not applicable.

(b) According to the information and explanation given to us and based on the audit procedures conducted by us, in our opinion the company has not provided any guarantees, has not given any security during the year. The terms and conditions for the investments made and for the grant of all loans and advances in the nature of loans given during the year are prima facie, not prejudicial to the interest of the company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the company, in our opinion, in case of loans and advances in the nature of loans given, the repayment of principal and repayment of interest has been stipulated and the repayments or receipts have been regular, except for the following instances:

S. NO.	Name of the Unit	Date of Advance	Sanctioned Limit	Date of NPA	Real Account Balances as on 31/03/2025	Recoveries during the year
1.	Sri Datta Sai Shilpa Industries	14/03/2020	24,00,000	31/05/2021	24,00,000	Nil
2.	Balaji Traders	20/03/2020	10,00,000	31/05/2021	10,00,000	Nil
3.	Suresh Textiles	19/06/2019	3,73,000	15/09/2021	3,50,876	Nil
4.	Elite Foam Pvt Ltd	17/02/2023	9,50,000	30/06/2023	8,24,026	Nil
5.	Usha Kamal Enterprises	11/01/2023	5,60,000	29/02/2024	5,58,740	Nil
6.	5 Siricilla Accounts	31.10.2022	65,36,047	29.06.2024	69,46,117	Nil
	Total		1,18,19,047		1,20,79,759	Nil

(d) According to the information and explanations given to us and on the basis of our examination of the records of the company, except above mentioned parties there are no other overdues for more than 90 days in respect of loans and advances in the nature of loans given. The company is taking adequate steps for the recovery of the principal and interest of the said overdue amounts.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the company, there is no loan or advance in the nature of loans granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the over dues of existing loans or advances in the nature of loans given.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company has not granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

iv. According to the information and explanations given to us, the company has complied with requirements of section 185 and 186 in respect of loans, investments, guarantees or security made by it during the year under audit.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, Clause 3(v) of the order is not applicable.

vi. To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products / services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

vii. (a)The Company is 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 any other statutory dues, as applicable, with the appropriate authorities Further, no undisputed amounts payable in respect there of were outstanding at the year-end for a period of more than six months from the date they became payable

(b) There are no dues in respect of 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 any other statutory dues that have not been deposited with the appropriate authorities on account of any dispute.

viii. According to the information and explanation given to us, the company has no transactions that are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to the state government.

(b) The company has not been declared willful defaulter by any bank or Financial Institutions or government or any government authority.

(c) The company has not obtained any term loans hence reporting under clause3(ix)(c) of the order is not applicable to the company.

(d) On an overall examination of the financial statements of the company, the company has not raised any funds on short term basis and hence, reporting under clause 3(ix)(d) of the order is not applicable.

(e) As the company do not have any Subsidiaries, Associates or Joint ventures hence, reporting under clause 3(ix)(e) & (f) of the order is not applicable.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the order is not applicable.

(b) During the year, the company has not made any preferential allotment or private placement of shares or convertible debentures(fully or partly or optionally) and hence reporting under clause 3(x)(b) of the order is not applicable.

xi. (a) According to the information and explanation given to us, any fraud by the company or any fraud on the company has not been noticed or reported during the year.

(b) According to the information and explanation given to us, no report under sub- section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have been informed that the company has not received any whistle blower complaints during the year and hence clause 3(xi)(c) of the order is not applicable.

xii. In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company. Accordingly provisions of the Clause 3(xii) of the Order is not applicable to the company.

xiii. According to the information and explanations given to us, we are of the opinion that all transactions with related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the Accounting Standards and the Companies Act, 2013.

xiv. According to the information and explanations given to us, the company has no internal audit system.

xv. According to the information and explanations given to us, we are of the opinion that the company has not entered into any non-cash transactions with directors or persons connected with him and accordingly, the provisions of clause 3(xv) of the Order is not applicable.

xvi. (a) In our opinion, the company is registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b) The company has not conducted any Non-Banking Financials or Housing Finance Activities without valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank 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. Accordingly, Clause 3(xvi)(c) & (d) of the order is not applicable.

xvii. According to the information and explanations given to us and based on the audit procedures conducted we are of opinion that the company has not incurred any cash losses in the financial year and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly, the provisions of clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is incapable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx. In our opinion and according to information and explanations given to us the provisions of Sec 135 of the Companies Act, 2013 are not applicable to the company. Hence, reporting under clause 3(xx)(a) and (b) of the order is not applicable.

xxi. The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **MATHESH & RAMANA**
CHARTERED ACCOUNTANTS

Sd/-
K. MATHESH REDDY
M. No. 026285 Partner

Place: Hyderabad
Date: 05.07.2025

MATHESH & RAMANA
CHARTERED ACCOUNTANTS

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **TELANGANA INDUSTRIAL HEALTH CLINIC LIMITED** ("the Company") as of 31st March 2025 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). 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 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.

Auditors' Responsibility:

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting:

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting:

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

Opinion:

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

For **MATHESH & RAMANA**
CHARTERED ACCOUNTANTS
SD/-
K. MATHESH REDDY
M. No. 026285 Partner

Place: Hyderabad
Date:05.07.2025

MATHESH & RAMANA
CHARTERED ACCOUNTANTS

ANNEXURE – C TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph 3 under section (Report on other Legal and Regulatory Requirements of our Report of even date)

Based on the verification of records of TELANGANA INDUSTRIAL HEALTH CLINIC LIMITED, ("the Company") and based on information and explanations given to us, we give below a report on the directions including additional directions issued by the Comptroller and Auditor General of India (C&AG") in terms of the section 143(5) of the Act:

Sr No.	Directions under Section 143(5) of Companies Act 2013	Action taken and Financial Impact
1.	Assess the fair valuation of all the investments, both quoted and unquoted, made directly by the Company or through Trusts, for Post retirement benefits of the employees. This includes verifying valuation methodologies, ensuring consistency with Ind AS and reviewing supporting documentation. The auditor shall provide a brief note on the valuation approach, its reasonability, and compliance with applicable regulations, reporting any material deviations or misstatements.	The Company has no such investments relating to post retirement benefits, hence the clause is not applicable.
2.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing accounting transactions outside IT system on the integrity of the accounts along with the financial irnplications, if any, may be stated.	The Company has system in place to process all the accounting transactions through IT systems.
3.	Whether funds (grants / subsidy etc.) received / receivable for specific schemes from Central/ State Government or its agencies were properly accounted for as per the applicable accounting standards or norms and whether the funds received were utilized as per its terms and conditions? Whether accounting of interest earned on grants received has been done as per terms and conditions of the Grant. List the cases of deviation.	Yes, the Company has properly accounted the Grants received as per the applicable norms and the received were Grants properly utilized. Interest earned on grants received has been properly accounted for.
4.	Whether the Company has identified the key Risk areas? If yes, whether the Company has formulated any Risk Management Policy to mitigate these risks? If yes, (a) whether the Risk Management Policy has been formulated considering the best global practices? (b) Whether the Company has identified its data assets and whether it has been valued appropriately?	Yes, the Company has formulated Risk Management Policy, and the company has valued its data assets appropriately.

5.	Whether the Company is complying with the Securities and Exchange Board of India (SEBI) (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other applicable rules and regulations of SEBI, Department of Investment and Public Asset Management, Ministry of Corporate Affairs, Department of Public Enterprises, Reserve Bank of India, Telecom Regulatory Authority of India, CERT-IN, Ministry of Electronics and Information Technology and National Payments Corporation of India wherever applicable? If not, the cases of deviation may be highlighted.	Yes, the Company has complied with the applicable rules and regulations of relevant authorities.

For **MATHESH & RAMANA**
CHARTERED ACCOUNTANTS

Sd/-
K. MATHESH REDDY
Partner M. No. 026285

UDIN : 25026285BMMKDN5594

PLACE: Hyderabad,
DATE : 05.07.2025

TELANGANA INDUSTRIAL HEALTH CLINIC LIMITED

CIN: U74999TG2017SGC117624

Regstd Office: #5-9-58/B, Parishrama Bhavanam, Fateh Maidan Road, Basheerbagh, Hyderabad – 500004

BALANCE SHEET AS AT 31-03-2025

(Amount in '000)

PARTICULARS	Note No.	As on 31-03-2025		As on 31-03-2024	
(I) EQUITY AND LIABILITIES:					
(1) Share Holders' Funds:					
(a) Share Capital	2.01	**100,260.00**		**100,260.00**	
(b) Reserves & Surplus	2.02	**68,667.98**		**66,439.16**	
(c) Money Received against share warrants		**-Nil-**		**-Nil-**	
			168,927.98		**166,699.16**
(2) Share Application Money Pending Allotment			**-Nil-**		**-Nil-**
(3) Non Current Liabilities					
(a) Long Term Borrowings	2.03	**5,840.93**		**6,535.93**	
(b) Deferred Tax Liabilities (net)	2.04	**-Nil-**		**-Nil-**	
(c) Other Long Term Liabilities	2.05	**18,320.00**		**-Nil-**	
(d) Long Term Provisions	2.06	**6,303.04**		**20,557.40**	
			30,463.97		**27,093.33**
(4) Current Liabilities					
(a) Short Term Borrowings		**-Nil-**		**-Nil-**	
(b) Trade Payables		**-Nil-**		**-Nil-**	
(c) Other Current Liabilities	2.07	**479.15**		**1,406.08**	
(d) Short Term Provisions	2.08	**56.16**		**1,688.86**	
			535.31		**3,094.94**
			199,927.26		**196,887.43**
(II) ASSETS:					
-					
(1) Non Current Assets					
(a) Property, Plant & Equipment and Intangible Assets	2.09				
(i) Property Plant and Equipment		**565.49**		**626.85**	

	(ii) Intangible Assets		-Nil-		-Nil-	
	(iii) Capital Work In Progress		-Nil-		-Nil-	
	(iv) Intangible Assets Under Development		418.56		418.56	
				984.05		1,045.41
(b)	Non Current Investments		-Nil-		-Nil-	
(c)	Deferred Tax Asset (net)	2.04	387.38		502.22	
(d)	Long Term Loans & Advances	2.10	26,957.20		36,619.17	
(e)	Other Non Current Assets		-Nil-		-Nil-	
				27,344.58		37,121.39
(2)	**Current Assets**					
(a)	Current Investments	2.11	100,000.00		100,000.00	
(b)	Inventories		-Nil-		-Nil-	
(c)	Trade Receivables	2.12	-Nil-		-Nil-	
(d)	Cash & Cash Equivalents	2.13	68,797.16		55,580.13	
(e)	Short Term Loans & Advances		-Nil-		-Nil-	
(f)	Other Current Assets	2.14	2,801.47		3,140.50	
				171,598.63		158,720.63
	Total:			199,927.26		196,887.43
Significant Accounting Policies and Notes to Accounts		1&2				

As per our report of even date attached.

For & On behalf of the Board

For MATHESH & RAMANA
Chartered Accountants,

Sd/-
CA. K. MATHESH REDDY
Partner
M. No. 026285

Sd/-
Chief Financial Officer
(PAN:AABPU2523M)

Sd/-
Director
(DIN: 01884603)

PLACE : Hyderabad,
DATE : 05.07.2025

TELANGANA INDUSTRIAL HEALTH CLINIC LIMITED

CIN: U74999TG2017SGC117624

Regstd Office: #5-9-58/B, Parishrama Bhavanam, Fateh Maidan Road, Basheerbagh, Hyderabad - 500004

STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED ON 31-03-2025

(Amount in '000)

	PARTICULARS	Note Number	As on 31-03-2025		As on 31-03-2024	
I.	Revenue from Operations	2.15		**5,184.98**		19,560.81
II.	Other Income	2.16		**11,762.59**		9,648.84
III.	**Total Income (I + II)**			**16,947.57**		29,209.65
IV.	**Expenses:**					
	Employee benefits expense	2.17		**7,646.98**		8,992.91
	Finance costs	2.18		**36.40**		147.27
	Depreciation and Amortisation Expenses	2.19		**133.41**		2,061.44
	Other Expenses	2.20		**6,449.02**		9,238.93
	Total Expenses			**14,265.81**		20,440.55
V.	**Profit before exceptional and extraordinary items and tax (III - IV)**			**2,681.76**		8,769.10
VI.	**Exceptional Items/Extraordinary Items**			**-Nil-**		-Nil-
VII.	**Prior Period Items**			**176.08**		5.86
VII.	**Profit Before Tax (V-VI)**			**2,857.84**		8,774.96
VIII.	**Tax Expense:**					
	(1) Current Tax		**514.18**		1,987.73	
	(2) MAT Credit		**-Nil-**		(120.79)	
	(3) Deferred Tax		**114.84**		(350.01)	

	(4) Excess Provision Written Off		**-Nil-**		-Nil-	
				629.02		1,516.93
IX.	**Profit for the period(VIII-IX)**			**2,228.82**		7,258.03
X.	**Earning Per Share**					
	Basic			**2.22**		7.24
	Diluted			**2.22**		7.24
XI.	**Number of Shares used for EPS working**					
	Basic			**1,002,600**		1,002,600
	Diluted			**1,002,600**		1,002,600
XII.	Significant Accounting Policies and Notes to Accounts	1 & 2				

As per our report of even date.

For & On behalf of the Board

For MATHESH & RAMANA
Chartered Accountants,

Sd/-
K. MATHESH REDDY
Partner
M. No. 026285

Sd/-
Chief Financial Officer
(PAN:AABPU2523M)

Place : Hyderabad,
Date : 05.07.2025

Sd/-
Director
(DIN: 01884603)

TELANGANA INDUSTRIAL HEALTH CLINIC LIMITED
CIN: U74999TG2017SGC117624
Regstd Office: #5-9-58/B, Parishrama Bhavanam, Fateh Maidan Road, Basheerbagh, Hyderabad - 500004

CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

(Amount in '000)

Particulars	**As at 31.03.2025**	**As at 31.03.2024**
A. Cash Flow from Operating Activities:		
Net Profit before Tax and Extraordinary Items	2,857.84	8,774.96
Adjustments for:		
Depreciation	133.41	2,061.44
Profit from Sale of Mutual Funds	(8,248.78)	(4,755.63)
Provision for NPA	-	-
Interest Received / Non Operating Income	(3,342.27)	(4,327.18)
Operating profit before Working Capital Changes	**(8,599.80)**	**1,753.59**
Adjustments for:		
Trade and Other receivables	-Nil-	-Nil-
Long Term Provision	(14,254.36)	11,843.43
Other Long Term Liabilities	18,320.00	-
Other Current & Non Current Assets	339.03	(2,133.37)
Trade Payables and other Current Liabilities	(2,559.63)	(1,050.61)
Cash generated from Operations	**1,845.04**	**8,659.45**
Cash flow before Extraordinary Items & Tax	1,845.04	8,659.45
Extraordinary Items & Tax	514.18	1,916.94
Net Cash used for Operating activities	**(7,268.94)**	**8,496.11**
B. Cash Flow from Investing Activities:		
Net Purchase of Fixed Assets	(72.05)	(111.65)
Sale of Fixed Assets	-Nil-	-Nil-
Increase/(Decrease) in Capital Work in Progress	-Nil-	(418.56)
Long Term Loans & Advances	9,661.97	8,153.02
Short Term Loans & Advances	-Nil-	-Nil-

Increase/ Decrease Investments	-	(1,00,000.00)
Profit from Sale of Mutual Fund	8,248.78	4,755.63
Interest & Other Income	3,342.27	4,327.18
Net Cash flow from Investing activities	**21,180.97**	**(83,294.38)**
C. Cash Flow from Financing Activities:		
Issue of Share Capital	-Nil-	-Nil-
Increase in Share Premium	-Nil-	-Nil-
Increase in Share Application Money	-Nil-	-Nil-
Decrease in Share Application Money	-Nil-	-Nil-
Long Term Loans & Advances	(695.00)	(8,908.00)
Short Term Loans & Advances	-Nil-	-Nil-
Provision for NPA	-	-
Net Cash flow from Financing activities	**(695.00)**	**(8,908.00)**
Net Increase in Cash and Cash Equivalents	**13,217.03**	**(83,706.27)**
Cash and Cash Equivalents as at (Opening Balance)	55,580.13	1,39,286.40
Cash and Cash Equivalents as at (Closing Balance)	**68,797.16**	**55,580.13**

As per our report of even date.

For & On behalf of the Board

For MATHESH & RAMANA
Chartered Accountants,

Sd/-
K. MATHESH REDDY
Partner
M. No. 026285
Firm Reg No. 002020S

Sd/-
Chief Financial Officer
(PAN:AABPU2523M)

PLACE : Hyderabad,
DATE : 05.07.2025

Sd/-
Director
(DIN: 01884603)

TELANGANA INDUSTRIAL HEALTH CLINIC LIMITED
CIN : U74999TG2017SGC117624
#5-9-58/B, Parishrama Bhavanam, Fateh Maidan Road, Basheerbagh, Hyderabad - 500004.

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS (1&2)

1. (A) COMPANY OVERVIEW:

Telangana Industrial Health Clinic Limited ('the company') was incorporated on 7th June 2017 as a public limited company under the Companies Act 2013. The company is recognized as a Non-Banking Financial Company (NBFC) with Reserve Bank of India (RBI). The company can carry on the business of Non-Banking Financial institution without accepting Public Deposits. The company is primarily engaged in the business of Non-Banking Finance Company and to help Micro and Small enterprises in the manufacturing sector by providing consultancy and financial services in the State of Telangana. For that purpose, the company lends money to entrepreneurs, promoters, industrial and other business concerns on such terms and conditions and with or without security as may be considered appropriate and to act as a Financial Company.

(B) SIGNIFICANT ACCOUNTING POLICIES:

1.1 Basis of Preparation of Financial Statements:

(i) Financial Statements have been prepared under the historical cost convention method, in accordance with the generally accepted accounting principles and provisions of the Companies Act, 2013 as applicable to this Company.

(ii) Accounting Policies not specifically referred to otherwise are consistent and in consonance with the generally accepted accounting principles followed by the Company.

1.2 Basis of Accounting:

The Company recognizes Income and Expenses on an accrual basis except in case of significant uncertainties.

1.3 Use of Estimates:

The preparation of financial statements required the management to make estimates and assumptions considered in the reported amounts of assets and liabilities as on the date of financial statements and the reported income and expenses for the reporting period. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates.

1.4 Property Plant and Equipment & Intangible Assets*:*

(i) Property, Plant and Equipment

Property, Plant and Equipment are held with intention of being used for the purpose of producing or providing goods & services and is not held for sale in the ordinary course of business. Property, Plant and Equipment are shown at historical cost. Cost of acquisition is inclusive of all incidental expenses attributable to bringing the asset to its working condition.

Tangible Assets: Tangible assets are stated at cost less accumulated depreciation and net of impairment, if any. Direct costs are capitalized until such assets are ready for use.

Intangible Assets: Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment, if any.

(ii) Depreciation And Amortization

Depreciation on Tangible assets is provided on the Straight-Line method over the lives of the assets as referred in schedule II of the Companies Act, 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

1.5 Revenue Recognition:

Revenue from Service Transactions is recognized at the time of rendering the service, the same are exclusive of taxes collected on behalf of the Government. Interest on loans is recognized on an accrual basis except in the case of income on Non-Performing Advances. Interest on Non-Performing Advances is recognized as per the extant guidelines of Reserve Bank of India.

1.6 Cash Flow:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of non-cash nature, any deferrals, or accruals of past or future operating cash receipts or payments and item of income or expense associated with investing and financing activities of the company are segregated.

1.7 Earnings Per Share:

The earnings considered in ascertaining the company's Basic EPS is the attributable net profit or loss to the equity shareholders as per AS-20 "Earnings per share" issued by the ICAI. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period.

1.8 Retirement and other Employee benefits:

Employee benefits include Provident Fund & Gratuity. Contribution in respect of Employee Provident Fund, which is as defined contribution schemes, are made to a fund administered and managed by the Government of India and are charged as incurred on accrual basis to the Statement of Profit & Loss. For all the eligible employees, Gratuity Provision is made as per the extant guidelines.

1.9 Segment Reporting:

The company is primarily engaged in the business of Rendering Financial Services to SMEs. The primary segment of the company is Rendering Financial Services which in the context of Accounting Standard 17 on "Segment Reporting" constitutes reportable segment.

1.10 Taxes on Income:

Tax expenses comprises both current and deferred taxes. Provision for current tax is made based on the applicable tax rates and tax laws with respect to that year. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between financial statements carrying amounts of existing assets and liabilities and their respective tax bases and operating loss carry forwards. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The effect of deferred tax assets and liabilities of a change in tax rates is recognized in the profit and loss account in the year of change. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

1.11 Contingent Liabilities & Provisions:

The company recognizes provision when there is a present obligation arising from past events, the settlement of which is expected to result in an outflow from the resources embodying economic benefits which can be measured only by using a substantial degree of estimation.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. Contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably.

The company does not recognize contingent liability but discloses its existence in the financial statements.

1.12 Government Grants:

Government grants are recognized when there is reasonable assurance that (i) the enterprise will comply with the conditions attached to them, and (ii) the grants will be received, Government grants related to specific fixed assets are presented in the balance sheet by showing the grant as a deduction from the gross value of the assets concerned in arriving at their book values. Government grants related to revenue are recognized on a systematic basis in the profit and loss statement over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are either shown separately under 'other income' or deducted in reporting the related expense.

Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of shareholders' funds.

Government grants in the form of non-monetary assets, given at a concessional rate, are accounted for on the basis of their acquisition cost. In case a non-monetary asset is given free of cost, it is recorded at a nominal value.

Government grants that are receivable as compensation for expenses or losses incurred in a previous accounting period or for the purpose of giving immediate financial support to the enterprise with no further related costs, are recognized and disclosed in the profit and loss statement of the period in which they are receivable, as an extraordinary item if appropriate.

Government grants that become refundable are accounted for as an extraordinary item. Government grants in the nature of promoters' contribution that become refundable are reduced from the capital reserve.

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(Amount in '000)

2.00 NOTES TO ACCOUNTS

2.01 SHARE CAPITAL

Particulars		As on 31-03-2025	As on 31-03-2024
(A)	**Authorised Capital:** *11,00,000 Equity shares of Rs.100/- each With Voting Rights*	**110,000.00**	110,000.00
(B)	**Issued, Subscribed & Paid up Capital:** *10,02,600 Equity Shares of Rs. 100/- each With Voting Rights*	**100,260.00**	100,260.00

Equity Share

The Company has only one class of equity shares having a par value of Rs 100 per share. Each Shareholder is eligible for one vote per share. The dividend proposed if any by the board of directors is subject to the approval of shareholders, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all prefertials amounts, in proportion of their shareholding.

(C) Reconciliation of Number of Shares Outstanding at the beginning and end of Reporting Period:

Particulars		As on 31-03-2025		As on 31-03-2024	
		Number	**Amount (Rs.)**	**Number**	Amount (Rs.)
Shares outstanding at the beginning of the year		**1002600**	**100260.00**	1002600	100260.00
Add:	Shares issued during the year	**-Nil-**	**-Nil-**	-Nil-	-Nil-
		1002600	**100260.00**	1002600	100260.00
Less:	Shares bought back during the year	-Nil-	-Nil-	-Nil-	-Nil-
Shares outstanding at the end of the year		**1002600**	**100260.00**	**1002600.00**	100260.00

(D) Names of Persons who are holding more than 5% Shares in the Paid up Capital: (Amounts in '000)

Name of the Shareholder	31-03-2025		31-03-2024	
	No. of Shares held	% of Holding	No. of Shares Held	% of Holding
H. E. Hon'ble Governor - Telangana State (together with nominee)	**1000000**	**99.74%**	1000000.00	99.74%
	1000000	**99.74%**	**1000000.00**	99.74%

(E) Other information required to be disclosed under 6(A)(h), (i), (j), (k), (l) is Nil.

(F) Shareholding of Promoters is as below:

Shares held by promoters at the end of the year	% Change during the year	As on 31 March 2025		As on 31 March 2024	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
H. E. Hon'ble Governor - Telangana State (togetherwith nominee)	**-Nil-**	**1000000**	**99.74%**	1000000.00	99.74%
	-Nil-	**1000000**	**99.74%**	**1000000.00**	99.74%

2.02 RESERVES AND SURPLUS:

(Amounts in '000)

Particulars			As on 31-03-2025	As on 31-03-2024
(A)	**CAPITAL RESERVE**		**100,000.00**	100,000.00
(B)	**Surplus/(Deficit) in statement of profit loss**			
	Opening Balance		**(35,439.53)**	(41,205.95)
	Add:	Profit / Loss for the Current Year	**2,228.82**	7,258.02
	Less:	Income Tax for FY 2022-2023	**-**	(49.99)
	Less:	Transfer to Statutory Reserve (Refer Note No. 2.27)	**(445.76)**	(1,441.61)
			(33,656.47)	(35,439.53)
(C)	**Statutory Reserve**			
	Opening Balance		**1,878.69**	437.08
	Add:	Provision for Current Year	**445.76**	1,441.61
			2,324.45	1,878.69
	Total (A) + (B) + (C)		**68,667.98**	66,439.16

2.03 LONG TERM BORROWINGS:

Particulars	As on 31-03-2025	As on 31-03-2024
Unsecured Loans from Government	**5,840.93**	6,535.93
	5,840.93	6,535.93

The company has used the borrowings from State Government for the specific purpose for which it was borrowed.

2.04 DEFERRED TAX ASSET/ LIABILITY:

Particulars	As on 31-03-2025	As on 31-03-2024
Opening Deferred Tax Asset	**(502.22)**	(152.21)
*Add/(Less): Du*e to Timing Differences in Depreciation Rates	**114.84**	(350.01)
Net Deferred Tax Asset	**(387.38)**	(502.22)

(Amounts in '000)

2.05 OTHER LONG TERM LIABILITIES:

Particulars	As on 31-03-2025	As on 31-03-2024
RAMP Fund	**18,320.00**	-
	18,320.00	-

2.06 LONG TERM PROVISIONS:

Particulars		As on 31-03-2025	As on 31-03-2024
(a)	Provision for Contingency for Standard Asset	**37.20**	64.71
(b)	Provision for NPA	**5,828.65**	20,006.57
(c)	Provision for Gratuity	**437.19**	486.12
TOTAL		**6,303.04**	20,557.40

2.07 OTHER CURRENT LIABILTIES:

Particulars		As on 31-03-2025	As on 31-03-2024
(a)	Statutory Liabilities	**63.95**	417.99
(b)	Outstanding Expenses	**402.46**	798.57
(c)	Excess Amount Recovered, Payable to Client	**12.75**	189.52
		479.15	1,406.08

2.08 SHORT TERM PROVISIONS

Particulars		As on 31-03-2025	As on 31-03-2024
(a)	Provision for Taxation	**514.18**	1,987.73
	Less: TDS	**400.53**	424.69
	Add: Interest	**2.16**	125.82
	Less: MAT Credit	**59.65**	-
		56.16	1,688.86

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(Amount in '000)

NOTE NO. 2.09 - FIXED ASSETS & DEPRECIATION AS PER COMPANIES ACT 2013

SI No.	Particulars	GROSS BLOCK			ACCUMULATED DEPRECIATION					NET BLOCK	
		Balance as at 01-04-2024	Additions/ (Disposals)	Balance as at 31-03-2025	Balance as at 01-04-2024	For the Ye	Adj. 31-03-2025	Transferred to Reserve	Balance as at 31-03-2025	Balance as at 31-03-2025	Balance as at 31-03-2024
1	Computer	600.69	72.05	672.74	550.17	25.00	-Nil-	-Nil-	575.17	97.57	50.52
2	Furniture & Fixtures	446.07	-Nil-	446.07	269.24	34.18	-Nil-	-Nil-	303.42	142.65	176.83
3	Printers	217.92	-Nil-	217.92	93.08	14.13	-Nil-	-Nil-	107.21	110.71	124.84
4	Office Equipment	301.71	-Nil-	301.71	228.97	13.82	-Nil-	-Nil-	242.79	58.92	72.74
5	Air Conditioners	487.01	-Nil-	487.01	285.09	46.28	-Nil-	-Nil-	331.37	155.64	201.92
6	UPS – Hitatchi	182.97	-Nil-	182.97	182.97	0.00	-Nil-	-Nil-	182.97	0.00	0.00
7	Paper Shredder	5.29	-Nil-	5.29	5.29	0.00	-Nil-	-Nil-	5.29	0.00	0.00
		2241.66	**72.05**	**2313.71**	**1614.81**	**133.41**	**0.00**	**0.00**	**1748.22**	**565.49**	**626.85**
	Intangible Assets										
1	Tally software	18.22	-Nil-	18.22	18.22	0.00	-Nil-	-Nil-	18.22	0.00	0.00
2	I- Health Software	7567.25	-Nil-	7567.25	7567.25	0.00	-Nil-	-Nil-	7567.25	0.00	0.00
		7585.47	**0.00**	**7585.47**	**7585.47**	**0.00**	**0.00**	**0.00**	**7585.47**	**0.00**	**0.00**
	Intangible Assets Under Development										
1	Software - Integrated Accounting Software	418.56	-Nil-	418.56	0.00	0.00	0.00	0.00	0.00	418.56	418.56
		418.56	**0.00**	**418.56**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**418.56**	**418.56**
	TOTAL	**10245.69**	**72.05**	**10317.74**	**9200.28**	**133.41**	**-Nil-**	**-Nil-**	**9333.69**	**984.05**	**1045.41**
	PY	**9715.48**	**530.21**	**10245.69**	**7138.84**	**2061.44**	**-Nil-**	**-Nil-**	**9200.28**	**1045.41**	**2576.64**

(Amounts in '000)

2.10 LONG TERM LOANS & ADVANCES: ***(Secured and considered Good)***

Particulars	As on 31-03-2025	As on 31-03-2024
Other Loans and Advances	**26,957.20**	36,619.17
	26,957.20	36,619.17

Note:

1. The company has given loans to Sircilla weavers and other units under advice from state Government. These loans are reapayble in 60 equal installments in case of sircilla Weavers with moratorium of 15 months. In the case of other industries the repayment is in equal instalments and bullet Repayments on a case to case basis.

2. These loans are secured by hypothecation of plant & machinery in the case of sircilla weavers and in other cases secured by the various Assets of those companies include Non performing assets of Rs 1,20,79,759/-

2.11 CURRENT INVESTMENTS:

Particulars		As on 31-03-2025	As on 31-03-2024
(a)	ICICI All season bonds	**10,000.00**	20,000.00
(b)	ICICI Prudential Ultra Short Term Fund	**10,000.00**	-
(c)	Investments in ICICI Prudential Short Term Fund	**-**	10,000.00
(d)	Investment in ICICI Prudential Gilt Fund	**10,000.00**	10,000.00
(e)	Investments in Nippon India Corporate Bond Fund	**10,000.00**	20,000.00
(f)	Investment in Nippon India Short Term Fund	**20,000.00**	20,000.00
(g)	Investment in Nippon India Low Duration Fund	**10,000.00**	-
(h)	Investment in SBI Magnum Gilt Fund	**-**	10,000.00
(i)	Investment in SBI Short Term Debt Fund	**20,000.00**	10,000.00
(j)	Investment in Fraklin India Money Market Fund	**10,000.00**	-
		100,000.00	100,000.00

2.12 TRADE RECEIVABLES:

(Amounts in '000)

Particulars	As on 31-03-2025	As on 31-03-2024
Processing Fees Receivables	**-Nil-**	-Nil-
	-Nil-	-Nil-

2.13 CASH & CASH EQUIVALENTS:

Particulars	As on 31-03-2025	As on 31-03-2024
(a) **Balances with banks**		
- In Current Account with banks	**18,597.12**	1,172.22
- In Deposit Account with banks		
- held for a period of less than 12m	**50,200.00**	54,404.76
- held for a period of more than 12m	**-**	-
(b) **Cash on Hand**	**0.04**	3.15
	68,797.16	55,580.13

2.14 OTHER CURRENT ASSETS:

Particulars	As on 31-03-2025	As on 31-03-2024
(a) Accrued Interest on FDR	**2,259.77**	2,450.81
(b) TDS Receivable	**6.77**	150.13
(c) Prepaid Expenses	**143.38**	127.43
(d) Other Current Assets	**39.50**	0.44
(e) MAT Credit	**352.05**	411.69
	2,801.47	3,140.50

2.15 REVENUE FROM OPERATIONS: (Amounts in '000)

Particulars		As on 31-03-2025	As on 31-03-2024
(a)	Interest From Loans	**1,445.46**	2,040.59
(b)	Processing Fee	**3,633.82**	17,520.22
(c)	Hand Holding Charges	**-Nil-**	-Nil-
(d)	Loan Documentation Charges	**105.70**	-Nil-
(e)	Diagnostic Fees	**-Nil-**	-Nil-
		5,184.98	19,560.81

2.16 OTHER INCOME:

Particulars		As on 31-03-2025	As on 31-03-2024
(a)	Interest On IT Refund	**-Nil-**	-Nil-
(b)	Interest On Bank Deposits	**3,342.27**	4,327.18
(c)	Other Income	**146.54**	-Nil-
(d)	Reimbursement of Expenses	**-Nil-**	566.03
(e)	Profit From Sale of Mutual Funds	**8,248.78**	4,755.63
(f)	Sale of Scrap	**25.00**	-Nil-
		11,762.59	9,648.84

No Foreign Exchange Earnings have been made by the company during the year.

2.17 EMPLOYEE BENEFITS EXPENSE:

Particulars		As on 31-03-2025	As on 31-03-2024
(a)	Salaries & Allowances (including Contract Employees)	**7,469.18**	6,974.29
(b)	Remuneration To Managing Director & Advisor	**-Nil-**	1,800.00
(c)	Gratuity Expenses	**24.46**	148.62
(d)	Incentives to Staff	**153.34**	70.00
		7,646.98	8,992.91

2.18 FINANCE COSTS: (Amounts in '000)

Particulars	**As on 31-03-2025**	As on 31-03-2024
Bank & Finance Charges	**4.98**	5.87
Interest on Income Tax (Previous Year)	**29.26**	15.02
Interest on Income Tax	**2.16**	125.82
Interest on TDS	**-**	0.56
	36.40	147.27

2.19 DEPRECIATION AND AMORTIZATION EXPENSES:

Particulars	**As on 31-03-2025**	As on 31-03-2024
Depreciation	**133.41**	2,061.44
	133.41	2,061.44

2.20 OTHER EXPENSES:

Particular		**As on 31-03-2025**	**As on 31-03-2024**
1	Books & Perodicals	**10.05**	12.24
2	Postage & Telegrams	**1.89**	5.48
3	Advertisment Expenses	**61.54**	94.34
4	Communication Expenses	**52.47**	45.45
5	Certification Expenses	**25.00**	25.00
6	Printing & Stationary	**71.30**	198.36
7	Professional & Consultancy Charges	**1,007.76**	1,278.93
8	Auditors Fees	**75.00**	75.00
9	Travelling & Convayance Expenses	**431.30**	274.61
10	Registration & Filing Fees	**178.18**	55.13
11	Director Sitting Fee	**255.06**	287.76
12	Subcription Expenses	**37.70**	71.83
13	Electricity Charges	**202.35**	241.40

14	Office Maintenance	**943.83**	583.43
15	Rent, Rates & Taxes	**2,353.32**	2,223.08
16	Repair & Maintenance	**360.48**	229.66
18	Web Maintenance Charges	**58.86**	107.08
19	Provision for Standard Asset	**-**	-
20	Provision for Non Performing Assets	**-**	2,841.92
21	General Expenses	**261.00**	284.66
22	Meeting Expenses	**11.22**	46.56
23	GST late fee & Interest on Late Filing	**3.79**	20.78
24	Income Tax	**-**	1.39
25	Professional Tax	**17.50**	-Nil-
26	Stipend	**29.42**	188.60
27	Honorarium	**-**	46.24
		6,440.02	9238.93

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2. Notes to Accounts:

2.21. Contingent Liabilities not provided for in the Books of Accounts – **-Nil-**

2.22. **FOREIGN EXCHANGE TRANSACTIONS:**
There were no foreign exchange earnings and out go during the year.

2.23. **MANAGERIAL REMUNERATION:**

		31 March 2025 Amount in Thousands
1	Sri. U V V L Prasad – CFO and KMP	1460.00
2	Sri Kurelli Nagarjuna – CS and KMP	59.89

2.24. **AUDITORS REMUNERATION:** **(Rs. In '000)**

Sl. No.	Particulars	As on 31-03-2025	As on 31-03-2024
1.	Statutory Audit Fees	**75.00**	**75.00**
	Reimbursement of Goods and Service Tax	**13.50**	**13.50**
2.	Tax Audit Fees	**15.00**	**15.00**
	Reimbursement of Goods and Service Tax	**2.70**	**2.70**
3.	Certification Fees	**10.00**	**10.00**
	Reimbursement of Goods and Service Tax	**1.80**	**1.80**
	Total:	**118.00**	**118.00**

2.25. **DEFERRED TAX :**

	31 March 2025 Amount in Thousands
In Conformity with the Accounting Standard 22 on Accounting for Taxes on income issued by Institute of Chartered Accountants of India, during the year the Company has provided for the Net Deferred Tax Liability/ Assets in the books of account.	
Net Block as per Companies Act	565.49
Net Block as per Income Tax Act	2,055.42
Timing Difference	1,489.93
Net Tax Asset as on 31-03-2025	387.38
Less: Deferred Tax Asset as on 31-03-2024	502.22
Effect on Profit and Loss Account (Deferred Tax Expense for the year)	114.84

2.26. **EARNINGS PER SHARE:**

(A) BASIC EARNING PER SHARE

i.	Number of equity shares outstanding at the beginning of the year.	10,02,600
ii.	Number of equity shares issued during the year.	Nil
iii.	Total number of equity shares outstanding at the end of the year. (used for denominator for calculating EPS)	10,02,600
iv.	Profit available to shareholders (Rupees in Thousands)	2,228.82
v.	Basic Earnings per Share. (Face Value Rs. 100/-) in Rupees	Rs. 2.22

(B) DILUTED EARNING PER SHARE

i.	Number of equity shares outstanding as per Point No. iii above.	10,02,600
ii.	Weighted average number of potential equity shares outstanding	Nil
iii.	Weighted average number of shares outstanding (used for denominator for calculating EPS)	10,02,600
iv.	Profit available to share holders (Rupees in Thousands)	2,228.82
v.	Diluted Earnings per Share. (Face Value Rs. 100/-) in Rupees	Rs. 2.22

2.27. As per Accounting Standard -18 “Related Party Disclosures” issued by The Institute of Chartered Accountants of India, the company’s related parties with whom the company has entered transactions during the year in the ordinary course of business, as certified by the Management are disclosed below:

(I) Key Managerial Persons:

SI. No.	Name of the Person	Relationship
1.	Sri Jayesh Ranjan, I.A.S	Chairman
2.	Dr. E Vishnu Vardhan Reddy, I.F.S	Nominee Director
3.	Dr. G Malsur	Nominee Director
4.	Dr. Allamraju Subramanya Ramasastri	Independent Director
5.	Sri Paladi Mohanaiah	Independent Director
6.	Sri R Ravi Kumar	Independent Director
7.	Sri U V V L Prasad	CFO
8.	Sri Kurelli Nagarjuna	Company Secretary

(II) Nature of Transactions with Related Parties during the year:

Sl. No.	Name of the Person	Amount (‘000) FY 2024-25	Amount (‘000) FY 2023-24
	Rent:		
1.	Telangana State Industrial Development Corporation	2500.87	1943.48
	Sitting Fees:		
1.	Independent directors	210.00	318.00
	Remuneration:		
1.	Sri. Venkateswarlu Sistla	0.00	1800.00
2	Sri. U V V L Prasad – CFO and KMP	1460.00	480.00
3	Sri Kurelli Nagarjuna – CS and KMP	59.89	200.00

2.28. Other than in the normal and ordinary course of business there are no funds that 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 persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company; or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. There have been no funds that have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

2.29. Employee Benefits include Provident Fund and Gratuity Fund. Contributions in respect of Employees Provident Fund, which is as defined contribution schemes, are made to a fund administered and managed by the Government of India and are charged as incurred on accrual basis to the Statement of Profit and Loss.

Provision for Gratuity is created. As per the Actuarial Valuation Report as at 31.03.2025, the Present Value of Obligation as at the end of 31.03.2025 is Rs. 3,77,252/-. Instead, the Company has created the Gratuity Fund of Rs. 4,37,193/- based on Years of Employment. An amount of Rs. 24,462/- is charged to the profit and loss account on an accrual basis.

2.30. Provident Fund Contribution of Rs. 32,388/- for the month of August 2024 was remitted twice and the same has remained excess paid as on 31.03.2025.

2.31. The Company has provided an amount of Rs. 1,02,854/- towards short deduction of TDS during the F.Y. 2023-24 based on the demand information available on Income Tax Portal. After verification and filing of correction TDS Returns the demand has been dropped by the Income Tax Department. Hence the said provision has been written back to the Profit & Loss A/c.

2.32. Provision for Standard Assets required to be maintained for the year ended 31st, March 2025 is Rs.37,200/-. The opening balance of Provision for Standard Assets as on 31st, March 2024 is Rs. 64,713/-.The management has reversed the excess provision of Rs. 27,513/- to the Profit and Loss Account.

2.33. The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under Micro, Small and Medium Enterprises Development Act 2006) claiming their status as micro, small or medium enterprises. Consequently, the amount paid/payable to these parties is considered to be NIL.

2.34. During the year the company transferred an amount of Rs. 4,45,760/- to Statutory Reserve as per Regulation 45(IC) of RBI Act 1934 by creating a provision of 20% of the current year's profits.

2.35. An amount of Rs. 1,76,079/- was excess provided towards professional charges during the earlier years . The same has been written back to the Prior Period Income during this year.

2.36. An amount of Rs. 12,750/- payable to a borrower after he has cleared his dues. The same could not be paid as the concerned party is not traceable. The said amount is presented under Other Current Liabilities.

2.37. Loans amounting to Rs. 69,46,117/- given to Siricilla Weavers became Non-Performing Assets (NPA) during the F.Y. 2024-25. As per MEMO No. 4017/Tex.2/ 2015-5 referred to in the GO RT 109 dated 20-06-2019 the loan given by the Government of Telangana State is repayable as and when the loans given to the Siricilla Weavers are recovered by the company. The said loans forming part of NPA of the company, if not recovered, are adjustable against loan given to the company by the Government of Telangana State. In view of this position the company has made provision for NPA by reducing the loan amount given by the Government.

2.38. During the year the following provisions were made:

Particulars	Rupees in Thousands
Current Tax	514.18

2.39. **Analytical Ratios:**

Sl.	Particulars	Numerator	Denominator	F.Y. 2025	F.Y. 2024	Difference (%)
(a)	Current Ratio	Current Assets	Current Liabilities	320.56	51.28	525.12
(b)	Debt-Equity Ratio	Total Debt	Shareholder's Equity	0.03	0.04	(25.00)
(c)	Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	N/A	N/A	N/A
(d)	Return on Equity Ratio	Net profits after taxes	Average shareholder's equity	0.01	0.04	(75.00)
(e)	Inventory Turnover Ratio	Turnover	Average Inventory	N/A	N/A	N/A
(f)	Trade Receivables Turnover Ratio	Turnover	Average Trade Receivables	N/A	N/A	N/A
(g)	Trade Payables Turnover Ratio	Turnover	Average Trade Payables	N/A	N/A	N/A
(h)	Net Capital Turnover Ratio	Revenue	Working Capital	0.03	0.13	(76.92)
(i)	Net Profit Ratio	Net Profit	Revenue	0.43	0.37	16.22
(j)	Return on Capital Employed	Earnings before interest and taxes	Capital Employed	0.02	0.05	(60.00)
(k)	Return on Investment	Income generated from investments	Time weighted Average Investments	NA	NA	NA

TELANGANA INDUSTRIAL HEALTH CLINIC LIMITED
CIN : U74999TG2017SGC117624
#5-9-58/B, Parishrama Bhavanam, Fateh Maidan Road, Basheerbagh, Hyderabad - 500004.

Reasons for the Changes More than 25%

(A) Current Ratio: The current ratio has increased as there is a significant increase in current assets and also there is significant decrease in the current liabilities in the current financial year.

(B) Return on Equity Ratio: The Return on Equity ratio has decreased as the Net Profit of the company has decreased significantly when compared to previous financial year.

(C) **Net Capital Turnover Ratio:** The Net Capital turnover ratio is decreased due to significant decrease in profits of the company when compared with previous financial year.

(D) **Return on Capital Employed:** The significant decrease in the ratio is on account of significant fall in the revenue of the company during the financial year 2024-25 when compared with previous financial year 2023-24.

2.40. All the amounts are rounded off to the nearest thousands.

2.41. Previous year figures have been regrouped, rearranged, reclassified and restated wherever necessary to compare with the current year figures.

As per our report of even date.

By Order of the Board

For MATHESH & RAMANA
Chartered Accountants,

Sd/-
CA. K. MATHESH REDDY
Partner
M. No. 026285
Firm Reg No. 002020S

Sd/-
Chief Financial Officer
(PAN:AABPU2523M)

Sd/-
Director
(*DIN: 01884603)*

PLACE: Hyderabad,
DATE : 05.07.2025
UDIN : 25026285BMMKDN5594

MICRO AND SMALL MANUFACTURING ENTREPRENEURS

TIHCL (Telangana Industrial Health Clinic Ltd) has been established as a company and NBFC with the sole purpose of helping Micro and Small entrepreneurs whenever they face any stress situations. We are just not in the business of financing but are interested in the revival and rehabilitation of stressed enterprises. To discuss your concerns, please call or email

సూక్ష్మ మరియుచిన్న పరిశ్రమయజమానులకు,

TIHCL (తెలంగాణ ఇండస్ట్రియల్ హెల్త్ క్లినిక్ లిమిటెడ్) సూక్ష్మ మరియు చిన్న వ్యాపారవేత్తలు ఏదైనా ఒత్తిడి పరిస్థితులను ఎదుర్కొన్నప్పుడు వారికి సహాయం చేయాలనే ఏకైక ఉద్దేశ్యంతో ఒక కంపెనీ మరియు NBFC వలె స్థాపించబడింది. మేము కేవలం ఫైనాన్సింగ్ వ్యాపారంలో లేము కానీ ఒత్తిడికి గురైన సంస్థల పునరుద్ధరణ మరియు పునరావాసంపై ఆసక్తి కలిగి ఉన్నాము. మీ ఆందోళనలను చర్చించడానికి, దయచేసి కాల్ చేయండి లేదా ఇమెయిల్ చేయండి

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EMAIL / ఇ మెయిల్: CONTACT@TIHCL.ORG

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