



SUVIK HITEK PRIVATE LIMITED

**ANNUAL REPORT
2024 - 2025**

SUVIK HITEK PRIVATE LIMITED

Regd. Office : 2021, Shantisadan, Mirzapur Road, Ahmedabad – 380 001.

SUVIK HITEK PRIVATE LIMITED

Regd. Office: Shanti Sadan, Mirzapur Road, Ahmedabad – 380 001

Phone: +91-79-25507671,

E-mail: suvikhitek@gmail.com, CIN: U24231GJ1977PTC003036

To,
The Members,
Suvik Hitek Pvt. Ltd.

Your Directors take pleasure in presenting the Annual Report on the business and operations of the Company together with the Audited Statement of Accounts of your Company for the Year ended March 31, 2025 and other accompanying reports, notes and certificates.

FINANCIAL SUMMARY & HIGHLIGHTS:

(Rs. In Lacs)

Particulars	Year ended 31.03.2025	Year ended 31.03.2024
Income from Operations	2101.56	2011.86
Other Income	6.96	0.77
Profit Before Interest, Depreciation and Finance Cost	(27.67)	19.11
Finance Cost	82.70	86.43
Depreciation and Amortisation Expenses	7.52	12.48
Tax Expenses	2.34	(1.66)
Profit After Tax (A)	(120.23)	(78.14)
Other Comprehensive Income not to be reclassified to profit/ loss in subsequent periods (B)	(5.86)	(1.02)
Total Profit available for Appropriation (A) + (B)	(126.09)	(79.16)
Earnings Per Share (Rs.)	(48.09)	(31.26)

OPERATIONS:

Suvik is manufacturing Pharmaceuticals products and marketing Generics and Veterinary products in the domestic market.

SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES:

As on March 31, 2025, the Company is a wholly owned subsidiary of Ambalal Sarabhai Enterprises Limited.

SHARE CAPITAL:

Details of Share Capital of the Company are mentioned below:

Authorised Capital: Rs. 2,50,00,000/-

Paid-Up Capital : Rs. 2,50,00,000/-

BOARD OF DIRECTORS, MEETINGS AND ITS COMMITTEES:

The Board of the Company comprises of following:

1. Mr. Balagan Pillai - Whole-time Director (Executive Director)
2. Mr. Anuj Shukla - Director (Non-Executive & Non-Independent)
3. Dr. A.K. Shah - Director (Non-Executive & Non-Independent) (w.e.f.29.8.2024)

During the year under report, Mr. A.H. Parekh ceased to be Director due to his death on 4.8.2024 and Dr. A.K. Shah has joined the Board of Directors of the Company on 29.8.2024.

During the year under report Mr. Balagan M. Pillai was re-appointed as Whole-time Director (Executive Director) w.e.f. 1.4.2025 subject to the approval of shareholders.

DIRECTOR RETIRING BY ROTATION:

In accordance with the provisions of Section 152 of the Act and in terms of the Articles of Association of the Company, Mr. Anuj Shukla retires by rotation at the ensuing Annual General Meeting (AGM) of the Company and being eligible offers himself for re-appointment. The Board recommends his re-appointment. The relevant details of Mr. Shukla form part of the Notice convening AGM.

DECLARATION BY INDEPENDENT DIRECTOR:

No director is appointed as an Independent Director of the company as this is not applicable to the Company.

MEETINGS OF BOARD OF DIRECTORS:

Seven Board Meetings were held during the Financial Year 2024-25 i.e. on, 18.5.2024, 30.7.2024, 29.8.2024, 25.9.2024, 8.11.2024, 31.1.2025 and 28.3.2025. The maximum gap between any two Board Meetings was less than one Hundred and Twenty days. The names of members of the Board, their attendance at the Board Meetings are as under:

Name of Directors	Number of Meetings Attended/ Total Meetings Held
Mr. A.H. Parekh	1/7
Mr. Anju Shukla	6/7
Mr. Balagan Pillai	6/7
Dr. A.K. Shah	4/7

COMMITTEES OF THE BOARD:

Formation of Audit Committee and Nomination Remuneration Committee is not applicable to the Company during the year under report.

CSR Committee:

The provision of Section 135 of Companies Act, 2013 is not applicable to the company. So, company has not taken any initiative for development and implementation of corporate social responsibility during the year.

KEY MANAGERIAL PERSONNEL:

In view of Section 203 of the Companies Act, 2013 and Rule 3 and Rule 8A of Companies (Appointment and remuneration of Managerial personnel) Rules, 2014 the Company is not required to appoint whole time Company Secretary and Chief Financial Officer.

EXTRACT OF ANNUAL RETURN:

The extract of the Annual Return as provided under sub-section (3) of Section 92 of the companies Act 2013 is attached with this report.

AUDITORS:**STATUTORY AUDITORS:**

Pursuant to provisions of Section 139 of the Act read with Companies (Audit and Auditors) Rules, 2014, M/s. Sorab S. Engineers, Chartered Accountants (FRN: 110417W), Ahmedabad are appointed as statutory auditors of the company at the Annual General Meeting held in 2024 for a term of five years and to hold office until the conclusion of the Annual General Meeting, to be held in the year 2029.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:

The Company being a material subsidiary of M/s. Ambalal Sarabhai Enterprises Limited for the financial year 2024-25, Secretarial Audit is applicable to it.

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Board of Directors of the Company has appointed RPSS & Co. Practicing Company Secretary to undertake the Secretarial Audit of the Company for the year ending 31.3.2025. The Secretarial Audit Report in Form MR-3 is given as an annexure to the Board Report which forms part of it.

EXPLANATION OR COMMENTS BY THE BOARD ON SECRETARIAL AUDIT REPORT, if any:N.A.**BOARD'S COMMENT ON THE AUDITORS' REPORT:**

The observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self-explanatory and does not call for any further comment

POLICIES AND PROCEDURES:

BOARD EVALUATION:

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Act.

RISK MANAGEMENT POLICY:

The Company has Risk Management Policy and the risk management framework which ensures that the Company is able to carry out identification of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.

INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 134(3) (c) 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 March 31, 2025, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed 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 at March 31, 2025 and of the profit of the Company for the year ended on that date.
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. The Directors have prepared the annual accounts on a 'going concern' basis.
- e. The Company being unlisted, sub clause (e) of section 134(3) 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.

OTHER STATUTORY DISCLOSURES:

PARTICULARS OF LOANS AND INVESTMENT:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

All related party transactions that were entered into during the financial year ended 31.03.2025 were on an arm's length basis and were in the ordinary course of business. Form AOC-2 pertaining to it is annexed to the Board Report. Disclosure of transactions with related party for the year, as per Accounting Standard -18 Related Party Disclosures is given in Notes to the Financial Statements.

DIVIDEND:

On account of carry forward of losses of the previous years and the Company started to earn profit by the Company during the year under report, your Directors regret being, the Directors have not recommended any dividend to the Shareholders for the year ended 31.3.2025.

DEPOSITS:

The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2025 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:

Disclosure of additional particulars as required under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988, forming part of the Directors' Report for the year ended 31.03.2025:

During the year under report, there were no such activities carried out in the Company.

I. Conservation of Energy, Technology Absorption: N.A.

II. Foreign Exchange earnings and Outgo: NIL

PARTICULARS OF EMPLOYEE:

No employee is drawing salary in excess of limits prescribed in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

COST RECORD:

The provision of Cost audit as per section 148 doesn't applicable on the Company.

MATERIAL CHANGES AND COMMITMENTS:

No material changes and 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.

FRAUD REPORTING:

No fraud was reported by the Auditors under section 143(12) of the Companies Act, 2013, to the Board during the year under review.

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

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

Details under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has in place a prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of women at the workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the Financial Year 2024-25 no complaints were received by the Company related to sexual harassment.

ACKNOWLEDGMENT:

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your directors also acknowledge gratefully the shareholders for their support and confidence reposed on your Company

For and on behalf of the Board
Suvik Hitek Pvt. Ltd.



Balagan Pillai
(DIN: 06541944)
Director



Anuj Shukla
(DIN:01816841)
Director

Date: 15.5.2025
Place: Ahmedabad

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SUVIK HITEK PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Suvik Hitek Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Loss), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the material accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Ind AS financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report, but does not include the Ind AS financial statements and our auditor's report thereon.

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

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

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



Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) This report does not contain a statement with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, since as per notification no. G.S.R. 583 (E) Dt. 13th June, 2017 the same is not applicable.
 - g) The provision of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2025.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of its pending litigation in the financial statements;
 - ii. The Company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no amounts required to be transferred, to the Investor Education and Protection Fund by the company.



iv.

1. The management has represented that, to the best of its knowledge and belief, 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 Holding Company and its subsidiary incorporated in India to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its subsidiary company incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
2. The management has represented that, to the best of its knowledge and belief, no funds have been received by the Holding Company and its subsidiary incorporated in India from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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; and
3. Based on the audit procedures conducted by us, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatements.

v. No dividend declared or paid during the year by the Company thus compliance with Section 123 of the Act is not applicable.

vi. Based on our examination, which included 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.

Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention. Our examination of the audit trail was in the context of an audit of financial statements carried out in accordance with the Standard of Auditing and only to the extent required by Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Sorab S. Engineer & Co.**
Chartered Accountants
Firm Registration No. 110417W


CA. Chokshi Shreyas B.

Partner
Membership No. 100892
UDIN: 25100892 BmIFRA8360

Ahmedabad
May 15, 2025

SORAB S. ENGINEER & CO. (Regd.)

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Suvik Hitek Private Limited of even date)

i. In respect of the Company's fixed assets:

- a) (1) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (2) The Company does not have any Intangible assets.
- b) The Company has a program of verification to cover all the items of Property, Plant and Equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, company has no immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee).
- d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
- e) According to the information and explanation given to us, the Company has no proceedings pending for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

ii. In respect of Company's Inventories:

- a) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion the coverage and procedure of such verification is appropriate, and no material discrepancies were noticed on verification between the physical stocks and the book records which were 10% or more in the aggregate for each class of inventory, and the same have been properly dealt with in the books of account.
- 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 on the basis of security of current assets.

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year.

iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not advanced any loan or given any guarantee or provided any security or made any investment covered under section 185 and 186 of the Act.



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- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- vi. To the best of our knowledge and belief, the Central Government has not prescribed maintenance of cost records under section 148 (1) of the Act in respect of the Company's product. Consequently, requirement of clause (vi) of paragraph 3 of the order are not applicable.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Wealth Tax, Custom Duty, Goods and Service Tax, Cess and other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of outstanding statutory dues were in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.

- b) Details of Income Tax, Sales tax, Custom Duty, and Goods and Service tax dues which have not been deposited as on March 31, 2025 on account of disputes are given below:

Nature of Statute	Nature of dues	Rs. In Lakhs	Period to which amount relates	Forum where matter is pending
Sales Tax Act, 1990	Sales Tax	11.64	2015-16, 2016-17	Commissioner Appeal

- viii. 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 surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- ix. In our opinion and according to the information and explanations given to us, in respect of Company's Borrowings:
- a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) The Company is not a declared willful defaulter by any bank or financial institution or other lender.
- c) The Company has not obtained any term loans during the year.
- d) The funds raised on short term basis have not been utilized for long term purposes.
- e) The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary.
- x. In our opinion and according to the information and explanations given to us, the Company has not raised funds by way of initial public offer or further public offer (including debt instruments) or preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Consequently, the requirements of clause (x) of paragraph 3 of the order are not applicable.

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- xi. In respect of fraud by the Company or on the Company:
- a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
 - b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 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) There have been no whistle-blower complaints received during the year by the Company.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and the details have been disclosed as required by the applicable Indian Accounting Standard (Ind AS)-24 Related Party Disclosures.
- xiv. To the best of our knowledge and belief and according to the information and explanations given to us, the Company is not required to have internal audit. Consequently, reporting requirements under Clause (xiv) of the paragraph of the order are not applicable.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) and (b) of the Order are not applicable.
- b) 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) and (d) of the Order are not applicable.
- xvii. According to the information and explanations given to us, the Company has incurred cash losses of Rs. 65.66 Lakhs in the financial year. (Previous Year : Rs. 18.64 Lakhs)
- xviii. According to the information and explanations given to us, there has been no resignation of the statutory auditors during the year.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans 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 that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any 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.



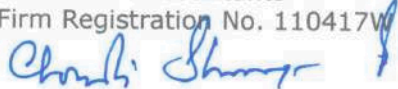
SORAB S. ENGINEER & CO. (Regd.)

- xx. In respect of the Company's Corporate Social Responsibility (CSR):, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For **Sorab S. Engineer & Co.**

Chartered Accountants

Firm Registration No. 110417W



CA. Chokshi Shreyas B.

Partner

Membership No.100892

Ahmedabad

May 15, 2025

Particulars	Notes	Rs. in Lakhs	
		As at March 31, 2025	As at March 31, 2024
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	5	1.11	55.17
(b) Right-of-use Assets	5	-	8.07
(c) Capital Work in Progress	5	0.85	
(d) Financial Assets			
(i) Other financial assets	6(c)	0.60	0.60
(e) Deferred tax assets (net)	24	4.61	4.98
(f) Other non-current assets	7	9.12	6.63
Total non-current assets (A)		16.29	75.45
II. Current assets			
(a) Inventories	8	40.94	68.08
(b) Financial assets			
(i) Trade receivables	6(a)	801.50	507.51
(ii) Cash and cash equivalents	6(b)	0.50	0.14
(c) Other current assets	7	1.32	6.10
(d) Current Tax Assets (net)	14	6.21	5.13
Total current assets (B)		850.47	586.96
Total Assets (A + B)		866.76	662.41
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	9	250.00	250.00
(b) Other equity	10	(1441.88)	(1315.79)
Total equity (A)		(1191.88)	(1065.79)
LIABILITIES			
I. Non-current liabilities			
(a) Financial liabilities			
(i) Lease liability	31	-	-
(b) Long-term provisions	12	7.74	14.73
Total non-current liabilities (B)		7.74	14.73
II. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	11(a)	994.26	929.94
(ii) Lease liability	31	-	8.89
(iii) Trade payables	11(b)		
- Total outstanding dues of mirco enterprises and small enterprises		4.16	-
- Total outstanding dues of creditors other than mirco enterprises and small enterprises		805.05	516.73
(iv) Other financial liabilities	11(c)	205.66	215.12
(b) Other current liabilities	13	30.71	30.08
(c) Short-term provisions	12	11.06	12.71
Total current liabilities (C)		2,050.90	1,713.47
Total equity and liabilities (A + B + C)		866.76	662.41

See accompanying notes forming part of the
standalone financial statements

3

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For **Sorab S. Engineer & Co.**
Chartered Accountants
Firm Registration No.110417W

CA Chokshi Shreyas B.
Partner
Membership No. 100892
Ahmedabad
Date : May 15, 2025

For and on behalf of Board of Directors of
Suvik Hitek Private Limited

Balagan M. Pillai
Director
DIN No: 06541944
Ahmedabad
Date : May 15, 2025

Anuj Kumar Shukla
Director
DIN No: 01816841
Ahmedabad
Date : May 15, 2025

SUVIK HITEK PRIVATE LIMITED
CIN : U24231GJ1977PTC003036

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

		Rs. in Lakhs	
Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
I. Income			
(a) Revenue from operations	15	2,101.56	2,011.86
(b) Other income	16	6.96	0.77
Total income (I)		2,108.52	2,012.63
II. Expenses			
(a) Cost of raw materials and components consumed	17	45.84	111.10
(b) Purchase of stock-in-trade	18	1,868.07	1,660.68
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	19	8.09	1.67
(d) Employee benefits expense	20	59.81	69.18
(e) Finance costs	21	82.70	86.43
(f) Depreciation and amortization expense	22	7.52	12.48
(g) Other expenses	23	154.38	150.89
Total expenses (II)		2,226.41	2,092.43
III. Profit/(Loss) before exceptional items and tax (III)=(I-II)		(117.89)	(79.80)
IV. Exceptional items (IV)		-	-
V. Profit/(Loss) before tax (V) = (III-IV)		(117.89)	(79.80)
VI. Tax expense	24		
(a) Current tax		-	-
(b) Deferred tax charged/(credit)		2.34	(1.66)
Total Tax Expense		2.34	(1.66)
VII. Profit/(Loss) for the year (VII) = (V-VI)		(120.23)	(78.14)
VIII. Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/(losses) on defined benefit plans	28	(7.83)	(1.36)
Income tax effect	24	1.97	0.34
Total other comprehensive income/(loss) for the year, net of tax		(5.86)	(1.02)
IX. Total comprehensive income/(loss) for the year, net of tax (VII+VIII)		(126.09)	(79.16)
X. Earnings Per Share (Nominal Value per share Rs. 100/-)			
Basic and diluted (Rs.)	30	(48.09)	(31.26)

See accompanying notes forming part of the standalone financial statements

3

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For **Sorab S. Engineer & Co.**
Chartered Accountants
Firm Registration No.110417W

CA Chokshi Shreyas B.
Partner
Membership No. 100892
Ahmedabad
Date : May 15, 2025

For and on behalf of Board of Directors of
Suvik Hitek Private Limited

Balagan M. Pillai
Director
DIN No: 06541944
Ahmedabad
Date : May 15, 2025

Anuj Kumar Shukla
Director
DIN No: 01816841
Ahmedabad
Date : May 15, 2025

Particulars	Year ended March 31, 2025		Year ended March 31, 2024	
A Operating activities				
Profit/(Loss) Before taxation		(117.89)		(79.80)
Adjustments to reconcile profit before tax to net cash flows:				
Depreciation /Amortization	7.52		12.48	
Interest Income	(0.02)		(0.01)	
Finance Costs	82.70		86.43	
Gain on Remeasurement of Gold Coin at Fair Value	(2.49)		(0.76)	
Loss on Fixed Assets	38.30		-	
		126.01		98.14
Operating Profit before Working Capital Changes		8.12		18.34
Working Capital Changes:				
Changes in Inventories	27.14		1.16	
Changes in trade payables	292.48		33.26	
Changes in other current liabilities	0.63		0.91	
Changes in other current financial liabilities	(9.46)		0.89	
Changes in provisions	(16.47)		2.53	
Changes in trade receivables	(293.99)		(22.41)	
Changes in financial assets	-		(0.25)	
Changes in other assets	4.78		9.41	
		5.11		25.50
Net Changes in Working Capital		13.23		43.84
Cash Generated from Operations		(1.08)		(0.13)
Direct Taxes paid (Net of Income Tax refund)				
Net Cash from Operating Activities		12.15		43.71
B Cash Flow from Investing Activities				
Purchase of property, plant & equipment	(0.85)		(4.33)	
Sale of property, plant & equipment	12.95			
Changes in Loans given	-		1.34	
Interest Income	0.02		0.01	
Net cash flow from Investing Activities		12.12		(2.98)
C Cash Flow from Financing Activities				
Changes in short term borrowings	64.32		52.86	
Principal repayment of lease liability	(5.92)		(9.37)	
Finance Costs	(82.31)		(85.10)	
Net Cash flow from Financing Activities		(23.91)		(41.61)
Net Increase in cash & cash equivalents		0.36		(0.88)
Cash & Cash equivalent at the beginning of the year		0.14		1.02
Cash & Cash equivalent at the end of the year		0.50		0.14

Rs. in Lakhs

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash and cash equivalents comprise of: (Note 6(c))		
Cash on Hand	0.03	0.04
Balances with Banks	0.47	0.10
Cash and cash equivalents	0.50	0.14

The accompanying notes are an integral part of these Financial Statements.

Disclosure under Para 44A as set out in Ind AS 7 on cash flow statements under Companies (Indian Accounting Standards) Rules,2015 (as amended)

Particulars of liabilities arising from financing activity	Note No.	As at April 1, 2024	Net cash flows	Non Cash Changes		Year ended March 31, 2025
				Effect of change in Foreign Currency Rates	*Other Changes	
Borrowings:						
Short term borrowings	11(a)	929.94	64.32	-	-	994.26
Lease Liabilities	31	8.89	(5.92)	-	(2.97)	-
Total		938.83	58.40	-	(2.97)	994.26

Particulars of liabilities arising from financing activity	Note No.	As at April 1, 2023	Net cash flows	Non Cash Changes		Year ended March 31, 2024
				Effect of change in Foreign Currency Rates	*Other Changes	
Borrowings:						
Short term borrowings	11(a)	877.08	52.86	-	-	929.94
Lease Liabilities	31	16.93	(9.37)	-	1.33	8.89
Total		894.01	43.49	-	1.33	938.83

* The same relates to amount charged in statement of profit and loss accounts

Note:

1) The cashflow statement has been prepared under the Indirect Method as set out in the Indian Accounting Standard 7 - Statement of Cash flows

As per our report of even date
For Sorab S. Engineer & Co.
Chartered Accountants
Firm Registration No.110417W

For and on behalf of Board of Directors of
Suvik Hitek Private Limited

SUVIK HITEK PRIVATE LIMITED
CIN : U24231GJ1977PTC003036
Notes to the Financial Statements

Note 5 : Property, Plant and Equipment

Fixed Assets	Rs. in Lakhs				
	Right-of-use Assets (Note 31)	Plant & Machinery	Furniture & Fixture	Total	Capital Work in Progress
Gross Carrying Amount					
As at April 1, 2023	24.21	73.34	5.04	102.59	-
Additions	-	4.33	-	4.33	-
Deductions	-	-	-	-	-
As at March 31, 2024	24.21	77.67	5.04	106.92	-
Additions	-	-	-	-	0.85
Deductions	24.21	77.67	1.60	103.48	-
As at March 31, 2025	-	-	3.44	3.44	0.85
Depreciation					
As at April 1, 2023	8.07	20.81	2.32	31.20	-
Depreciation for the year	8.07	3.88	0.53	12.48	-
Deductions	-	-	-	-	-
As at March 31, 2024	16.14	24.69	2.85	43.68	-
Depreciation for the year	4.71	2.58	0.23	7.52	-
Deductions	20.85	27.27	0.75	48.87	-
As at March 31, 2025	-	-	2.33	2.33	-
Net Carrying Amount					
As at March 31, 2025	-	-	1.11	1.11	0.85
As at March 31, 2024	8.07	52.98	2.19	63.24	-

Note:

1. In accordance with the Ind AS 36 on 'Impairment of Assets', the Company has reassessed its Property, plant and equipment and is of the view that no impairment/reversal is considered to be necessary in view of its expected realisable value.
2. For Properties pledged as security, refer Note 11(a).

Note 6 : Financial assets

6 (a) Trade receivables - Current

Particulars	Rs. in Lakhs	
	As at March 31,2025	As at March 31,2024
Unsecured, considered good	801.50	507.51
Credit Impaired	113.72	113.72
	915.22	621.23
Less : Allowance for doubtful debts	(113.72)	(113.72)
Total	801.50	507.51

1. No trade receivables are due from directors or other officers of the Company either severally or jointly with any person nor any trade receivables are due from firms or private companies respectively in which any director is a director, a partner or a member.

2) Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

Allowance for doubtful debts

Company has provided allowance for doubtful debts based on the lifetime expected credit loss model using provision matrix.

Movement in allowance for doubtful debt :

Particulars	Rs. in Lakhs	
	As at March 31,2025	As at March 31,2024
Balance at the beginning of the year	113.72	113.72
Add : Allowance for the year (Note no.23)	-	-
Balance at the end of the year	113.72	113.72

**Trade receivables ageing Schedule:
As at March 31, 2025**

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 Months	6 Months 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivable - Considered Good	-	-	698.44	35.66	9.65	7.51	50.24	801.50
Undisputed Trade receivable - which have significant increase in risk	-	-	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-	113.72	113.72
Disputed Trade receivable - Considered Good	-	-	-	-	-	-	-	-
Disputed Trade receivable - which have significant increase in risk	-	-	-	-	-	-	-	-
Disputed Trade receivable - credit impaired	-	-	-	-	-	-	-	-
Total	-	-	698.44	35.66	9.65	7.51	163.96	915.22

As at March 31, 2024

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 Months	6 Months 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivable - Considered Good	-	-	435.36	12.63	9.28	6.08	44.16	507.51
Undisputed Trade receivable - which have significant increase in risk	-	-	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-	113.72	113.72
Disputed Trade receivable - Considered Good	-	-	-	-	-	-	-	-
Disputed Trade receivable - which have significant increase in risk	-	-	-	-	-	-	-	-
Disputed Trade receivable - credit impaired	-	-	-	-	-	-	-	-
Total	-	-	435.36	12.63	9.28	6.08	157.88	621.23

6 (b) Cash and cash equivalent

Particulars	Rs. in Lakhs	
	As at March	As at March 31,2024
Balance with Banks	0.47	0.10
In Current accounts and debit balance in cash credit accounts	0.03	0.04
Cash on hand	-	-
Total	0.50	0.14

6 (c) Other financial assets

Particulars	Rs. in Lakhs	
	As at March 31,2025	As at March 31,2024
Unsecured, considered good unless otherwise stated	-	-
Non-current	0.60	0.60
Security deposits	0.60	0.60
Total	0.60	0.60

Note 7 : Other current / non-current assets

	Rs. in Lakhs	
Particulars	As at March 31,2025	As at March 31,2024
Unsecured, considered good unless otherwise stated		
Non-current		
Gold Coin	9.12	6.63
	9.12	6.63
Current		
Advance Recoverable in cash or in kind or value to be received		
Considered Good	0.36	4.10
Considered Doubtful	3.96	3.96
Less : Provision for doubtful advances (Refer Note 23)	(3.96)	(3.96)
Balance with Government Authorities (Refer note (i) below)		
Considered Good	0.96	1.99
Considered Doubtful	12.87	12.87
Less : Provision for doubtful recovery (Refer Note 23)	(12.87)	(12.87)
Prepaid expenses	-	0.01
	1.32	6.10
Total	10.44	12.73

(i) Balance with Government Authorities mainly consists of input credit availed.

(ii) Other current assets are given as security for borrowings as disclosed under Note - 11(a).

Movement in allowance for doubtful advances :

	Rs. in Lakhs	
Particulars	As at March 31,2025	As at March 31,2024
Balance at the beginning of the year	3.96	-
Add : Allowance for the year (Note no.23)	0.00	3.96
Balance at the end of the year	3.96	3.96

Movement in allowance for doubtful recovery :

	Rs. in Lakhs	
Particulars	As at March 31,2025	As at March 31,2024
Balance at the beginning of the year	12.87	-
Add : Allowance for the year (Note no.23)	-	12.87
Balance at the end of the year	12.87	12.87

Note 8 : Inventories (At lower of cost and net realisable value)

	Rs. in Lakhs	
Particulars	As at March 31,2025	As at March 31,2024
Raw materials	-	7.78
Packing Materials	-	11.27
Work-in-progress	-	1.54
Finished goods	2.35	38.16
Stock-in-trade	38.59	9.33
Total	40.94	68.08

Inventories are given as security for borrowings as disclosed under Note - 11(a).

Note : Inventory write downs are accounted, considering the nature of inventory, ageing and net realisable value for Rs. Nil (March, 2024 Rs. Nil). The changes in write downs are recognised as an expense in the Statement of Profit and Loss.

Note 9 : Equity share capital

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs
Authorised share capital				
Equity shares of Rs.100/- each (March 31, 2024 : Rs. 100 each)	2,50,000	250.00	2,50,000	250.00
Issued and subscribed				
Equity shares of Rs.100/- each (March 31, 2024 : Rs. 100 each)	2,50,000	250.00	2,50,000	250.00
Total	2,50,000	250.00	2,50,000	250.00

9.1. Reconciliation of shares outstanding at the beginning and at the end of the Reporting year

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs
Equity shares at the beginning of the year	2,50,000	250.00	2,50,000	250.00
Add: Share Issued During the Year	-	-	-	-
Equity shares at the end of the year	2,50,000	250.00	2,50,000	250.00

9.2. Terms/Rights attached to the equity shares

The Company has one class of shares referred to as equity shares having a par value of Rs. 100 each. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

9.3. Shares held by holding company

Name of the Shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Rs. in Lakhs	No. of shares	Rs. in Lakhs
Ambalal Sarabhai Enterprises Limited	2,50,000	250.00	2,50,000	250.00

9.4. Number of Shares held by each shareholder holding more than 5% Shares in the company

Name of the Shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Ambalal Sarabhai Enterprises Limited	2,50,000	100.00	2,50,000	100.00

9.5. Shareholding of Promoters

Promoter Name	As at March 31, 2025			As at March 31, 2024		
	No. Shares	% of total shares	% change during the year	No. Shares	% of total shares	% change during the year
Ambalal Sarabhai Enterprises Limited	250000	100.00	-	250000	100.00	-

9.6. Equity Shares allotted as fully paid pursuant to contract(s) without payment being received in cash during the period of five years immediately preceding March 31, 2025:

Nil

9.7. Objective, policy and procedure of capital management, refer Note 36.

Note 10 : Other Equity

Balance	Rs. in Lakhs	
	As at March 31, 2025	As at March 31, 2024
Capital reserve		
Balance as per last financial statements	0.13	0.13
Balance at the end of the year	0.13	0.13
Retained Earnings		
Balance as per last financial statements	(1,315.92)	(1,236.76)
Profit/(Loss) for the year	(120.23)	(78.14)
Other Comprehensive income/(loss) for the year	(5.86)	(1.02)
Balance at the end of the year	(1,442.01)	(1,315.92)
Total reserves & surplus	(1,442.01)	(1,315.92)
Total	(1,441.88)	(1,315.79)

The description of the nature and purpose of each reserve within equity is as follows :

i. Capital reserve

Capital reserve represents capital reserve on amalgamation/business combination. This reserve arose pursuant to scheme of arrangement.

Note 11 : Financial Liabilities

11 (a) Borrowings

Particulars	Rs. in Lakhs	
	As at March 31, 2025	As at March 31, 2024
Short-term Borrowings		
Secured (at amortised cost)		
Cash Credit Facilities from Banks	80.73	82.65
Unsecured (at amortised cost)		
From Related Parties (Refer Note 29)	873.10	806.87
From Others	40.43	40.42
Total borrowings	994.26	929.94

i. Nature of Security

Cash Credit Facilities from Banks - Secured

- a. Hypothecation of all tangible movable assets including all stocks of Raw Materials, Stores, Packing Materials, Finished Goods, Book debts and Corporate Guarantee of Ambalal Sarabhai Enterprises Ltd (Holding Company).
b. Rate of Interest 10.20% p. a.

ii Loan from Related Parties

Particulars	Rs. in Lakhs	Rate of Interest	Terms of repayment
Short term borrowings	873.10	8%-9.4%	Repayable on demand

Loans from others are unsecured, payable on demand.

11 (b) Trade payable

Particulars	Rs. in Lakhs	
	As at March 31, 2025	As at March 31, 2024
Current		
Other Trade Payables (Refer Note below)		
Total outstanding dues of micro enterprises and small enterprises	4.16	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	805.05	516.73
Total	809.21	516.73

a The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 and hence disclosures as required under Section 22 of The Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 regarding:

Particulars	Rs. in Lakhs	
	As at March 31, 2025	As at March 31, 2024
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
i) Principal	3.65	-
ii) Interest	0.51	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;		
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	0.51	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	0.51	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	0.51	-

**Trade payables Ageing Schedule:
As at March 31, 2025**

Trade payables Ageing Schedule: As at March 31, 2025		Rs. In Lakhs				
Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	0.51	3.65	-	-	4.16
Others	-	718.83	24.42	11.33	50.47	805.05
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	-
Total	-	719.34	28.07	11.33	50.47	809.21

As at March 31, 2024

As at March 31, 2024					Rs. In Lakhs	
Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	449.69	16.55	6.66	43.83	516.73
Others	-	-	-	-	-	-
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
Unbilled dues	-	-	-	-	-	-
Total	-	449.69	16.55	6.66	43.83	516.73

SUVIK HITEK PRIVATE LIMITED
CIN : U24231GJ1977PTC003036
Notes to the Financial Statements

11 (c) Other financial liabilities

Particulars	Rs. in Lakhs	
	As at March 31, 2025	As at March 31, 2024
Current		
Security Deposits	186.84	191.96
Payable to employees	2.02	5.55
Due to Directors (Refer Note 29)	11.04	11.05
Due to Related Parties (Refer Note 29)		
Due to Related Parties (Refer Note 29)	5.76	6.56
Total	205.66	215.12

Note 12 : Provisions

Particulars	Rs. in Lakhs	
	As at March 31, 2025	As at March 31, 2024
Long-term		
Provision for employee benefits (refer Note 28)		
Provision for leave encashment	1.18	1.79
Provision for Gratuity	6.56	12.94
	7.74	14.73
Short-term		
Provision for employee benefits (refer Note 28)		
Provision for leave encashment	1.31	2.23
Provision for Gratuity	9.75	10.48
	11.06	12.71
Total	18.80	27.44

Note 13 : Other liabilities

Particulars	Rs. in Lakhs	
	As at March 31, 2025	As at March 31, 2024
Current		
Advance from customers	22.91	21.28
Statutory dues including provident fund and tax deducted at source	7.80	8.80
Total	30.71	30.08

Note 14 : Current Tax Assets (Net)

Particulars	Rs. in Lakhs	
	As at March 31, 2025	As at March 31, 2024
Current Tax Assets (Net)	6.21	5.13
Total	6.21	5.13

Note 15 : Revenue from operations

Particulars	Rs. in Lakhs	
	Year ended March 31,2025	Year ended March 31,2024
Sale of products	2,101.56	2,011.86
Total	2,101.56	2,011.86

**Disaggregation of Revenue from contracts with customers
Revenue based on business segment**

Particulars	Rs. in Lakhs	
	Year ended March 31,2025	Year ended March 31,2024
Pharmaceutical Products	2,101.56	2,011.86
Revenue from Operations	2,101.56	2,011.86

Reconciliation of revenue from operation with contract price

Particulars	Rs. in Lakhs	
	Year ended March 31,2025	Year ended March 31,2024
Revenue from contract with customers as per the contract price	2,127.46	2,038.68
Adjustment made to contract price on account of:		
a) Sales Return	(25.90)	(26.82)
Revenue from Operations	2,101.56	2,011.86

Note 16 : Other income

Particulars	Rs. in Lakhs	
	Year ended March 31,2025	Year ended March 31,2024
Interest income on financial assets measured at amortized cost	0.02	0.01
Gain on Remeasurement of Gold Coin at Fair Value	2.49	0.76
Miscellaneous Income	2.71	-
Scrap Sales Income	1.74	-
Total	6.96	0.77

Note 17 : Cost of raw materials and components consumed

Particulars	Rs. in Lakhs	
	Year ended March 31,2025	Year ended March 31,2024
Stock at the beginning of the year	19.05	18.54
Add : Purchases	26.79	111.61
	45.84	130.15
Less : Inventory at the end of the year	-	19.05
Total	45.84	111.10

Note 18 : Purchases of stock-in-trade

Particulars	Rs. in Lakhs	
	Year ended March 31,2025	Year ended March 31,2024
Purchase of stock-in-trade	1,868.07	1,660.68
Total	1,868.07	1,660.68

Note 19 : Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	Rs. in Lakhs	
	Year ended March 31,2025	Year ended March 31,2024
Stock at the end of the year		
Finished goods	2.35	38.16
Stock-in-trade	38.59	9.33
Work-In-Progress	-	1.54
	40.94	49.03
Stock at the beginning of the year		
Finished goods	38.16	34.70
Stock-in-trade	9.33	15.11
Work-in-Progress	1.54	0.89
	49.03	50.70
Total	8.09	1.67

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Note 20 : Employee benefits expense

Particulars	Rs. in Lakhs	
	Year ended March 31,2025	Year ended March 31,2024
Salaries, wages, gratuity, bonus, commission, etc. (Refer Note 28)	43.47	51.62
Contribution to provident and other funds (Refer Note 28)	1.62	2.68
Welfare and training expenses	0.87	1.70
Director's Remuneration (Refer Note 29)	13.85	13.18
Total	59.81	69.18

Note 21 : Finance costs

Particulars	Rs. in Lakhs	
	Year ended March 31,2025	Year ended March 31,2024
Interest expense on Financial Liabilities measured at amortised cost		
Working Capital Loans	9.00	9.31
Financial Charges on lease liability (Refer note 31)	0.39	1.33
Others	72.36	74.74
Other Borrowing Costs	0.95	1.05
Total	82.70	86.43

Note 22 : Depreciation and amortization expense

Particulars	Rs. in Lakhs	
	Year ended March 31,2025	Year ended March 31,2024
Depreciation on Property, Plant & Equipment (Refer Note 5)	2.81	4.41
Depreciation on Right-of-use Assets (Refer Note 31)	4.71	8.07
Total	7.52	12.48

Note 23 : Other expenses

Particulars	Rs. in Lakhs	
	Year ended March 31,2025	Year ended March 31,2024
Power and fuel	2.09	4.26
Stores consumed	-	0.26
Insurance	0.38	0.56
Printing & Stationery	0.61	1.23
Communication expenses	0.29	0.39
Commission, Brokerage & discount	18.74	14.16
Rates and taxes	1.29	1.33
Repairs :		
To Machineries (including spares consumption)	0.14	2.71
To others	0.22	1.54
Freight, insurance & clearing charge (Distribution)	9.43	10.66
Legal & Professional charges	41.34	39.44
Travelling & Conveyance Expense	16.83	20.42
Auditor's remuneration (Refer note (i) below)	2.32	1.30
Factory Overhead	6.02	17.27
Bank Charges	0.55	0.44
Postage & Courier Expenses	0.16	0.22
Loss on Sale / Discard of Property, Plant & Equipments	38.30	-
Service Charges	2.00	2.00
Selling Expenses	11.79	14.00
Allowance for Doubtful Advances (note 7)	-	16.85
Director's Sitting Fees	0.30	0.24
Miscellaneous expenses	1.58	1.61
Total	154.38	150.89

Note :

(i) Break up of Auditor's remuneration

Particulars	Rs. in Lakhs	
	Year ended March 31,2025	Year ended March 31,2024
Payment to Auditors as		
Auditors	1.00	0.50
For Other certification work	1.01	0.65
For reimbursement of expenses	0.31	0.15
Total	2.32	1.30

Note 24 : Income tax

The major component of income tax expense for the years ended March 31, 2025 and March 31, 2024 are:

Particulars	Rs. In Lakhs	
	As at March 31, 2025	As at March 31, 2024
Statement of Profit and Loss		
Current income tax	2.34	(1.66)
Deferred tax charge/(credit)		
Income tax expense reported in the statement of profit and loss	2.34	(1.66)
Statement of Other comprehensive income (OCI)		
Net loss/(gain) on actuarial gains and losses	1.97	(0.34)
Income tax expense reported in the statement of OCI	1.97	(0.34)

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended March 31, 2025 and March 31, 2024

Particulars	Rs. In Lakhs	
	As at March 31, 2025	As at March 31, 2024
A) Current tax		
Accounting profit before tax from continuing operations	(117.89)	(79.80)
Tax @ 25.168% (Previous year : 25.168%)	(29.67)	(20.08)
Adjustments		
Other adjustments	32.01	18.42
Current Tax at the effective income tax rate	2.34	(1.66)

B) Deferred tax

Particulars	Balance Sheet		Statement of Profit and Loss and OCI for the year ended on	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Accelerated depreciation for tax purposes	(0.12)	(2.13)	2.01	(1.02)
Expenditure on payment basis	4.73	6.91	(2.18)	(0.78)
Implementation of Ind AS 116	0.00	0.20	(0.20)	(0.20)
Deferred tax expense/(income)				
Net deferred tax assets/(liabilities)	4.61	4.98	(0.37)	(2.00)

Reflected in the balance sheet as follows		
Deferred tax liabilities	(0.12)	(2.13)
Deferred tax assets	4.73	7.11
Deferred tax Assets/(liabilities) (net)	4.61	4.98

The Company has unused carried forward losses of Rs. 230.97 Lakhs - as at March 31, 2025 (March 31, 2024: Rs. 178.38 Lakhs).

Particulars	Rs. In Lakhs	
	As at March 31, 2025	As at March 31, 2024
Reconciliation of deferred tax Assets / (Liabilities)		
Opening balance as of April 1	2.08	0.08
Tax income/(expense) during the year recognised in profit or loss	(2.34)	1.66
Tax income during the year recognised in OCI	1.97	0.34
Closing balance as at March 31	1.71	2.08

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

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Note 25 : Contingent liabilities

Particulars	Rs. In Lakhs	
	As at March 31, 2025	As at March 31, 2024
Contingent liabilities not provided for		
a. Desputed Demand in Respect of - Central Sales Tax	11.64	11.64
b. Desputed Demand in Respect of - T.D.S.	8.85	-

Notes :

(a) The Company does not expect any reimbursements in respect of the above contingent liabilities.

Note 26 : Capital commitment and other commitments

Particulars	Rs. In Lakhs	
	As at March 31, 2025	As at March 31, 2024
Capital commitments	-	1.90
Other commitments	-	-



Note 27 : Segment Reporting

Operating Segments:

The chief operational decision maker monitors the operating results of its Business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the company.

The Company is primarily engaged in the business of manufacturing of Pharmaceuticals product , which in the context of Indian Accounting Standard 108 on Segment Reporting, constitutes a single reportable primary (business) segment.

Geographical Segment

Geographical segment is considered based on sales within India and rest of the world.

Particulars	Rs. In Lakhs	
	Year Ended Dec 31, 2025	Year Ended March 31, 2024
Segment Revenue*		
a) In India	2,101.56	2,011.86
b) Rest of the world	-	-
Total Sales	2,101.56	2,011.86
Carrying Cost of Segment Assets**		
a) In India	866.76	662.41
b) Rest of the world	-	-
Total	866.76	662.41
Carrying Cost of Segment Non Current Assets**@		
a) In India	11.08	69.87
b) Rest of the world	-	-
Total	11.08	69.87

* Based on location of Customers

** Based on location of Assets

@ Excluding Financial Assets and Deferred Tax Assets

Information about major customers:

Considering the nature of business of company in which it operates, the company deals with various customers including multiple geographics. There are two (2) customers contributing Rs. 1874.21 Lakhs (March 31, 2024 : 2 customers, Rs. 1719.26 Lakhs) of the total revenue of the Company from domestic sales.

A. Defined contribution plans:

Employee benefit expense"

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024	Rs. In Lakhs
Provident Fund	0.54	0.89	0.89
Pension Fund	1.08	1.79	1.79
	1.62	2.68	2.68

B. Defined benefit plans:

The Company has following post employment benefits which are in the nature of: **Gratuity**—

(a) **Gratuity (Unfunded)**—The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable to an employee is calculated as follows:—

... the Contract. Also are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method.

Liabilities with regard to the Gratuity Plan are determined by actuarial calculations. Gains and losses through remeasurements of the net defined benefit liability/(asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligations recognized in other comprehensive income.

Rs. In Lakhs

March 31, 2024 : Changes in Defined Benefit Obligation

	Gratuity cost charged to statement of profit and loss			Remeasurement gains/(losses) in other comprehensive income								
	April 1, 2024	Service cost	Net interest expense	Sub-total included in statement of profit and loss (Note 20)	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	March 31, 2025
Gratuity												
Defined benefit obligation	23.42	1.28	1.30	2.58	(17.52)	-	-	(0.32)	(7.51)	(7.83)	-	16.31
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Total benefit liability/(asset)	23.42	1.28	1.30	2.58	(17.52)	-	-	(0.32)	(7.51)	(7.83)	-	16.31

Rs. In Lakhs

March 31, 2023 : Changes in defined benefit obligation and plan assets

	Cost charged to statement of profit and loss				Remeasurement gains/(losses) in other comprehensive income							
	April 1, 2023	Service cost	Net interest expense	Sub-total included in statement of profit and loss (Note 20)	Benefit paid	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI	Contributions by employer	March 31, 2024
Gratuity												
Defined benefit obligation	19.68	1.12	1.26	2.38	-	-	-	(0.10)	(1.26)	(1.36)	-	23.42
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-
Total benefit liability/(asset)	19.68	1.12	1.26	2.38	-	-	-	(0.10)	(1.26)	(1.36)	-	23.42

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate	6.55%	7.15%
Future salary increase	4.80%	4.80%
Attrition rate	2.00%	2.00%
Mortality rate during employment	Indian assured lives Mortality (2012-14)	Indian assured lives Mortality (2012-14)

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity	Rs. in Lacs			
Particulars	Increase / (decrease) in defined benefit obligation (Impact)			
	Sensitivity level	Year ended March 31, 2025	Year ended March 31, 2024	
Gratuity				
Discount rate	0.5% increase	16.05	-1.62%	23.08
	0.5% decrease	16.59	1.70%	23.77
	0.5% increase	16.59	1.72%	23.78
	0.5% decrease	16.04	-1.65%	23.07
Salary increase	W.R. X 110%	16.33	0.10%	23.45
	W.R. X 90%	16.29	-0.11%	23.38
Attrition rate				

The followings are the expected future benefit payments for the defined benefit plan :

Particulars	Rs. in Lacs	
Gratuity	Year ended March 31, 2025	Year ended March 31, 2024
Within the next 12 months (next annual reporting period)	9.75	10.48
2 to 5 years	0.87	11.85
Beyond 5 years	10.60	3.29
Total expected payments	21.22	25.62

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Gratuity	3.26	2.71

C. Other Long term employee benefit plans

Leave encashment

Amount of Rs Nil Lakhs (March 31, 2024: Rs. 0.15 Lakhs) is recognised as expenses and included in Note No. 20 "Employee benefit expense"

Note 29 : Disclosure pursuant to Related Party

As per the Indian Accounting Standard on "Related Party Disclosures" (Ind AS 24), the related parties of the Company are as follows :

a Name of Related Parties and Nature of Relationship :

1(a)	Name of the Party	Description of relationship
1	Ambalal Sarabhai Enterprises Ltd	Holding Company
2	Asence Pharma Pvt Ltd	Fellow Subsidiary Company
3	Haryana Containers Limited	Associate Enterprise of Holding Company
4	Synbiotics Limited	Fellow Subsidiary Company
5	Asence Inc USA	Fellow Subsidiary Company
6	Sarabhai Chemical (I) Private Limited	Fellow Subsidiary Company
7	Systronics (I) Limited	Fellow Subsidiary Company
8	Suvik Hitek Private Limited	Fellow Subsidiary Company
9	Sweetsri Investments Private Limited	Fellow Subsidiary Company
10	Vovanties Laboratories Pvt.Ltd.	Joint Venture of Holding company

1(b) Key Management Personnel

	Name of Party	Nature of Relationship
1	Mr. Balagan M Pillai	Director
2	Mr. Anujkumar Shukla	Director
3	Mr. A H Parekh	Director

b Related Party Transactions :

Nature of Transactions	Rs. in Lakhs	
	Year ended	
	March 31, 2025	March 31, 2024
Sales		
Sarabhai Chemicals (India) Pvt Ltd	-	-
Purchase of Raw Material		
Asence Pharma Pvt Ltd	0.13	0.33
Purchase of Assets		
Systronics India Limited	-	-
Interest Income		
Sarabhai Chemicals (India) Pvt Ltd	-	-
Interest Expenses		
Ambalal Sarabhai Enterprises Limited	47.80	47.80
Asence Pharma Private Limited	1.17	0.41
Systronics India Limited	11.29	9.73
Remuneration to Director		
Mr. Balagan M Pillai	13.85	13.18
Director Sitting Fees		
Dr. Ashok Kumar Shah	0.12	-
Mr. Anujkumar Shukla	0.15	0.12
Mr. A H Parekh	0.03	0.12
Commission on Financial Charges		
Ambalal Sarabhai Enterprises Limited	0.95	1.05
Service Charges		
Ambalal Sarabhai Enterprises Limited	2.00	2.00
Loan received		
Systronics India Limited - Loan	14.16	3.89
Asence Pharma Private Limited	9.06	8.37
Ambalal Sarabhai Enterprises Limited - Loan	42.21	40.39
Payable in respect of Current Liabilities		
Systronics India Limited	-	-
Asence Pharma Private Limited	-	-
Dr. Arunkumar Shukla	10.00	10.00
Mr. Balagan M Pillai	0.98	0.93
Dr. Ashok Kumar Shah	0.03	0.06
Mr. Anujkumar Shukla	0.03	0.06
Payable in respect of Loan		
Ambalal Sarabhai Enterprises Limited - Loan	734.85	692.64
Asence Pharma Private Limited - Loan	17.43	8.37
Systronics India Limited - Loan	126.58	112.42

c Balances

Particulars	Rs. in Lakhs							
	Holding Company		Subsidiary Companies		Joint Venture to the Holding Company		Key Managerial Personnel	
	Year ended		Year ended		Year ended		Year ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Balances as at year end								
Payable in respect of Current Liabilities (Net)	-	-	-	-	-	-	11.04	11.05
Payable in respect of Loans	734.85	692.64	144.01	120.79	-	-	-	-
Trade Receivables (Net)	-	-	-	-	-	-	-	-
Receivable in respect of Loans (Net)	-	-	-	-	-	-	-	-
Guarantees	80.73	82.65	-	-	-	-	-	-

d Terms and conditions of transactions with related parties

1) Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions.
Outstanding balances other than loan given & taken at the year-end are unsecured and interest free and settlement occurs in cash.

e Commitments with related parties

The Company has not provided any commitment to the related party as at March 31, 2025 (March 31, 2024: Rs.Nil)

Note 30 : Earnings per share

Particulars		Year Ended, March 31, 2025	Year Ended, March 31, 2024
Earnings per share (Basic and Diluted)			
Profit/(Loss) attributable to ordinary equity holders	In Lakhs	(120.23)	(78.14)
Total no. of equity shares at the end of the year	Nos.	2,50,000	2,50,000
Weighted average number of equity shares	Nos.	2,50,000	2,50,000
Nominal value of equity shares	Rs.	100	100
Basic / Diluted earnings per share	Rs.	(48.09)	(31.26)

Note 31 : Lease Rent

The Company has taken branch offices on lease period of 1 to 3 years with option of renewal. Disclosures as per Ind AS 116 - Leases are as follows:

Changes in the carrying value of right of use (ROU) assets

	Rs. In Lakhs	
Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Opening balance	8.07	16.14
Recognition of ROU Asset on account of adoption of Ind AS 116	-	-
Additions	-	-
Deletions	-	-
Depreciation	(8.07)	(8.07)
Balance at the end of the year	-	8.07

Movement in lease liabilities

	Rs. In Lakhs	
Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Opening balance	8.89	16.93
Recognition of Lease Liability on account of adoption of Ind AS 116	-	-
Additions	-	-
Deletions	(3.36)	-
Finance cost accrued during the year	0.39	1.33
Payment of lease liabilities	(5.92)	(9.37)
Balance at the end of the year	-	8.89
Current	-	8.89
Non-current	-	-

Contractual maturities of lease liabilities

	Rs. In Lakhs	
Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Less than one year	-	8.89
One to five years	-	-
More than five years	-	-
Total	-	8.89

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

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Note 32 : Financial Instruments by Category

(i) Financial assets by category

Rs. In Lakhs

Particulars	As at March 31, 2025			As at March 31, 2024		
	Fair value through Other Comprehensive Income (FVOCI)	Amortised cost	Total	Fair value through Other Comprehensive Income (FVOCI)	Amortised cost	Total
Trade receivables	-	801.50	801.50	-	507.51	507.51
Cash and cash equivalents	-	0.50	0.50	-	0.14	0.14
Other financial assets	-	0.60	0.60	-	0.60	0.60
Total Financial assets	-	802.60	802.60	-	508.25	508.25

(ii) Financial liabilities by category

Rs. In Lakhs

Particulars	As at March 31, 2025			As at March 31, 2024		
	Fair value through Profit and Loss (FVTPL)	Amortised cost	Total	Fair value through Profit and Loss (FVTPL)	Amortised cost	Total
Short term borrowings	-	994.26	994.26	-	929.94	929.94
Trade payable	-	809.21	809.21	-	516.73	516.73
Lease Liabilities	-	-	-	-	8.89	8.89
Other Financial Liabilities	-	205.66	205.66	-	215.12	215.12
Total Financial liabilities	-	2,009.13	2,009.13	-	1,670.68	1,670.68

For Financial instruments risk management objectives and policies, refer Note 35.

Note 33 : Fair value disclosures for financial assets and financial liabilities

Set out below is a comparison, by class, of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying amount		Fair value	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Financial liabilities				
Borrowings	994.26	929.94	994.26	929.94
Total	994.26	929.94	994.26	929.94

The management assessed that the fair values of cash and cash equivalents, other bank balances, loans, trade receivables, other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair value of borrowings and other financial liabilities is calculated by discounting future cash flows using rates currently available for debts on similar terms, credit risk and remaining maturities.

Note 34 : Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's liabilities

Quantitative disclosures fair value measurement hierarchy for financial liabilities as at March 31, 2025 and March 31, 2025

	Date of valuation	Total	Fair value measurement using			Rs. In Lakhs
			Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	
As at March 31, 2025						
Liabilities disclosed at fair value	March 31, 2025	994.26	-	994.26	-	
Borrowings						
As at March 31, 2024						
Liabilities disclosed at fair value	March 31, 2024	929.94	-	929.94	-	
Borrowings						
Fair value hierarchy						

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

There are no transfer between level 1, 2 and 3 during the year.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Note 35 : Financial instruments risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise borrowings and trade & other payables. The main purpose of these financial liabilities is to finance the company's operations and to support its operations. The Company's principal financial assets include Investments, loans given, trade and other receivables and cash & short-term deposits that derive directly from its operations.

The Company's risk management is carried out by a Treasury department under policies approved by the Board of directors. The Company's treasury identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The board provides written principles for overall risk.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and currency risk. Financial instruments affected by market risk include borrowings, deposits, Investments, trade and other receivables, trade and other payables and derivative financial instruments.

Within the various methodologies to analyze and manage risk, the company has implemented a system based on "sensitivity analysis" on symmetric basis. This tool enables the risk managers to identify the risk position of the entities. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions. The risk estimates provided here assume:

- a parallel shift of 50-basis points of the interest rate yield curves in all currencies.
- a simultaneous, parallel foreign exchange rates shift in which the INR appreciates / depreciates against all currencies by 2%

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of profit & loss may differ materially from these estimates due to actual developments in the global financial markets.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity, pension and other post-retirement obligations and provisions.

The following assumption has been made in calculating the sensitivity analyses:

- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at respective period/year end including the effect of hedge accounting, if any.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Rs.in Lakhs	
	Effect on profit before tax	
	March 31, 2025	March 31, 2024
Increase in 50 basis points	0.40	0.41
Decrease in 50 basis points	(0.40)	(0.41)

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. To manage this, the Company periodically assesses financial reliability of customers and other counterparties, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by each business unit subject to the company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on 30 days to 90 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are comprised into homogenous companies and assessed for impairment collectively. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 6. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the company's policy. Investments of surplus funds are made only with approved counterparties who meets the minimum threshold requirements under the counterparty risk assessment process. The Company monitors the ratings, credit spreads and financial strength of its counterparties. Based on its on-going assessment of counterparty risk, the Company adjusts its exposure to various counterparties. The Company's maximum exposure to credit risk for the components of the Balance sheet as of March 31, 2025 and March 31, 2024 is the carrying amount as disclosed in Note 33.

(c) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company generates cash flows from operations to meet its financial obligations, maintains adequate liquid assets in the form of cash & cash equivalents and has undrawn short term line of credits from banks to ensure necessary liquidity. The Company closely monitors its liquidity position and deploys a robust cash management system.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	Rs.in Lakhs				
	On demand	less than 3 months	3 months to 1 year	1 year to 5 years	more than 5 years
Year ended March 31, 2025					
Interest bearing borrowings	994.26	-	-	-	-
Lease Liability	-	-	-	-	-
Trade payables	809.21	-	-	-	-
Other financial liabilities	203.64	2.02	-	-	-
	2,007.11	2.02	-	-	-
Year ended March 31, 2024					
Interest bearing borrowings	929.94	-	-	-	-
Lease Liability	-	-	8.89	-	-
Trade payables	516.73	-	-	-	-
Other financial liabilities	209.57	5.55	-	-	-
	1,656.24	5.55	8.89	-	-

Note 36 : Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements to optimise return to our shareholders through continuing growth. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The funding requirements are met through a mixture of equity, internal fund generation and other non-current borrowings. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings less cash and short-term deposits (including other bank balance). The Company is not subject to any externally imposed capital requirements.

Particulars	Rs.in Lakhs	
	Year ended March 31, 2025	Year ended March 31, 2024
Interest-bearing loans and borrowings (Note 11a)	994.26	929.94
Less: cash and bank balance (Note 6c)	(0.50)	(0.14)
Net debt	993.76	929.80
Equity share capital (Note 9)	250.00	250.00
Other equity (Note 10)	(1,441.88)	(1,315.79)
Total capital	(1,191.88)	(1,065.79)
Capital and net debt	(198.12)	(135.99)
Gearing ratio	-501.59%	-683.73%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

Note 37 : Ratio Analysis

Particulars	UOM	Year Ended		% Variance	Rs. in Lakhs
		March 31, 2025	March 31, 2024		Reason for Variance
i) Current Ratio :					
Current Assets (a)	Rs. in Lakhs	850.47	586.96		
Current Liabilities (b)	Rs. in Lakhs	2,050.90	1,713.47		
Current Ratio (a/b)	Times	0.41	0.34	21.05%	Due to increase in Trade Receivable
ii) Debt-Equity Ratio:					
Debt (a)	Rs. in Lakhs	994.26	929.94		
Equity (b)	Rs. in Lakhs	(1191.88)	(1065.79)		
Debt - Equity Ratio (a/b)	%	-83%	-87%	-4.39%	NA
iii) Debt Service coverage Ratio :					
Earnings available for Debt services (a)	Rs. in Lakhs	(30.01)	20.77		
Interest + Installments (b)	Rs. in Lakhs	88.62	95.80		
Debt Service coverage Ratio (a/b)	%	-33.86%	21.68%	-256.19%	Due to lower profit during the year
iv) Return on Equity Ratio :					
Profit/(Loss) after Taxes	Rs. in Lakhs	(120.23)	(78.14)		
Equity (b)	Rs. in Lakhs	(1191.88)	(1065.79)		
Return on Equity Ratio (a/b)	%	10.09%	7.33%	37.59%	Due to lower profit during the year
v) Inventory Turnover Ratio :					
Cost of Goods Sold/Sales (a)	Rs. in Lakhs	1,922.00	1,773.45		
Average Inventory (b)	Rs. in Lakhs	54.51	68.66		
Inventory Turnover Ratio (a/b)	Times	35.26	25.83	36.51%	Due to decrease in inventory & increase in COGS
vi) Trade Receivables turnover Ratio :					
Annual net Credit Sales (a)	Rs. in Lakhs	2,101.56	2,011.86		
Average Accounts Receivable (b)	Rs. in Lakhs	654.51	496.31		
Trade Receivables turnover Ratio (a/b)	Times	3.21	4.05	-20.79%	Due to increase in Trade Receivable
vii) Trade Payables turnover Ratio :					
Costs (a)	Rs. in Lakhs	1,894.86	1,772.29		
Average Accounts Payable (b)	Rs. in Lakhs	660.89	500.10		
Trade Payables turnover Ratio (a/b)	Times	2.87	3.54	-19.10%	Due to increase in Trade Payables
viii) Net Capital turnover Ratio :					
Net Sales (a)	Rs. in Lakhs	2,101.56	2,011.86		
Working Capital (b)	Rs. in Lakhs	(1,200.43)	(1,126.51)		
Net Capital turnover Ratio (a/b)	%	-175.07%	-178.59%	-1.97%	NA
ix) Net Profit Ratio :					
Profit/(Loss) after Tax (a)	Rs. in Lakhs	(120.23)	(78.14)		
Net Sales (b)	Rs. in Lakhs	2,101.56	2,011.86		
Net Profit Ratio (a/b)	%	-5.72%	-3.88%	47.30%	Due to lower profit during the year

Note 38 : New Accounting Pronouncements to be adopted on or after March 31, 2025

There are no standards or interpretations which are notified but not yet effective and that would be expected to have a material impact on the Company in the current or future reporting periods.

Note 39 : Other Notes

a. During the year ended March 31, 2025 and March 31, 2024, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

- i) 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
- ii) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

Further, during the year ended March 31, 2025 and March 31, 2024, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: i) 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 ii) provide any guarantee, security, or the like on behalf of the ultimate beneficiaries.

b. The Company has not invested or traded in Crypto Currency or Virtual Currency during the year ended March 31, 2025 (Previous year: Nil).

c. No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder during the year ended March 31, 2025 (Previous year: Nil).

d. The Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority during the year ended March 31, 2025 (Previous year: Nil)

e. The Company has not surrendered or disclosed as income any transactions not recorded in the books of accounts in the course of tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961) during the year ended March 31, 2024 (Previous year: Nil).

f. The Company does not have any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year ended March 31, 2025 (Previous year: Nil).

g. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

Note 40 : Events occurring after the reporting period

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of subsequent events and transactions in the financial statements. As of May 15, 2025, there were no subsequent events and transactions to be recognized or reported that are not already disclosed.

Note 41 : Code on Social Security, 2020

The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Indian Parliament approval and Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the code will come into effect has not been notified. The Company will access the impact of the Code when it comes into effect and will record any related impact in the period the code becomes effective.

Note 42 : Regrouped, Recast, Reclassified

Material regroupings: Appropriate adjustments have been made in the statements of assets and liabilities, statement of profit and loss and cash flows, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financials of the Company as at March 31, 2025.

NOTES TO THE FINANCIAL STATEMENTS

1. Corporate Information

M/s. Suvik Hitek Private Limited is incorporated under Companies Act, 2013 (Erstwhile known as Companies Act, 1956). The Company is engaged in the business of manufacturing, marketing and trading in Pharmaceutical products.

The financial statements have been considered and approved by the Board of Directors at their meeting held on May 15, 2025.

The Company is a Subsidiary of Ambalal Sarabhai Enterprises Limited and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at 2021, Shantisadan, Mirzapur Road, Ahmedabad – 380001.

2. Statement of Compliance and Basis of Preparation

2.1 Basis of Preparation and Presentation and Statement of Compliance

The Financial Statements have been prepared on a historical cost convention on the accrual basis except for the certain financial assets and liabilities measured at fair value, the provisions of the Companies Act, 2013 to the extent notified ("the Act").

Accounting policies were consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Financial Statements comprising of Balance Sheet, Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and Statement of Cash Flows as at March 31, 2025 have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of schedule III of the Companies Act, 2013 (Ind AS compliant schedule III) as applicable to financial statement.

2.2 Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the followings:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
- Defined benefit plans – plan assets measured at fair value;



3. Material Accounting Policies

The following are the material accounting policies applied by the Company in preparing its financial statements consistently to all the periods presented:

3.1. Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.


Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Company's normal operating cycle is not clearly identifiable, it is assumed to be twelve months.

3.2. Use of estimates and judgements

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Difference between actual results and estimates are recognised in the period in which the results are known / materialised. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.



3.3.Fair value measurement

The Company measures financial instruments such as derivatives at fair value at the end of each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability
Or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and for non-recurring measurement, such as asset held for sale.



External valuers are involved for valuation of significant assets, such as properties. Involvement of external valuers is decided upon annually by the management after discussion with and approval by the Company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

Management, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on yearly basis.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Significant accounting judgements, estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Property, plant and equipment & Intangible assets measured at fair value on the date of transition
- Financial instruments (including those carried at amortised cost)

3.4. Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of Property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

Capital work-in-progress comprises cost of fixed assets that are not yet installed and ready for their intended use at the balance sheet date.



Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

Depreciation

Depreciation on property, plant and equipment is provided so as to write off the cost of assets less residual values over their useful lives of the assets, using the straight line method as prescribed under Part C of Schedule II to the Companies Act 2013.

Any change in useful life are being applied prospectively in accordance with Ind AS 8 – "Accounting Policies, Changes in Accounting Estimates and Errors".

When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (Major Components) and are depreciated over their useful life or over the remaining useful life of the principal assets whichever is less.

Depreciation for assets purchased/sold during a period is proportionately charged for the period of use.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.5. Leases

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.



Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

The following is the summary of practical expedients elected on initial application:

1. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date;
2. Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application;
3. Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application;
4. Applied the practical expedient to grandfather the assessment of which transactions are leases. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS17.



The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is assessed for whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement

3.6. Borrowing cost

Borrowing cost includes interest expense as per Effective Interest Rate (EIR) and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

Where funds are borrowed specifically to finance a project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a project, the income generated from such current investments is deducted from the total capitalized borrowing cost. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the year. Capitalisation of borrowing costs is suspended and charged to the statement of profit and loss during the extended periods when the active development on the qualifying assets is interrupted.

All other borrowing costs are expensed in the period in which they occur.

3.7. Inventories

Inventories of Raw material, Stock-in-trade, Packing Material, Work-in-progress and Finished Goods are valued at the lower of cost and net realisable value.


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

- Stock in Trade: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

3.8. Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell



and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Company. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecasts which are prepared separately for each of the Company's CGU to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses, including impairment on inventories, are recognised in the Statement of Profit and Loss in those expense categories consistent with the function of the impaired asset, except for a property previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

3.9. Revenue Recognition

The Company derives revenues primarily from sale of manufactured goods and related services. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Group performs; or



2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

a) Sale of goods

Revenue from the sale of goods is recognized at the point in time when control of the goods is transferred to the customer, i.e., generally on delivery of the goods.

b) Rendering of services

Revenue from other services are recognised based on the services rendered in accordance with the terms of contracts on the basis of work performed.

c) Interest income

For all financial instruments measured at amortised cost and interest-bearing financial assets classified as fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). The EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit or loss.

d) Insurance claims

Claims receivable on account of Insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

3.10. Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.



a) Financial assets

(i) Initial recognition and measurement of financial assets

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

(ii) Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

- **Financial assets at amortised cost:**

A financial asset is measured at amortised cost if:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

- **Financial assets at fair value through other comprehensive income**

A financial asset is measured at fair value through other comprehensive income if:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI

is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

- **Financial assets at fair value through profit or loss**

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

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

After initial measurement, such financial assets are subsequently measured at fair value with all changes recognised in Statement of profit and loss.

(iii) Derecognition of financial assets

A financial asset is derecognised when:

- the contractual rights to the cash flows from the financial asset expire, or
- The Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(iv) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are



debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassifications and how they are accounted for.

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

(v) Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 11 and Ind AS 18, if they do not contain a significant financing component
- Trade receivables or contract assets resulting from transactions within the scope of Ind AS 11 and Ind AS 18 that contain a significant financing component, if the Company applies practical expedient to ignore separation of time value of money, and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Company is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected in a separate line under the head "Other expenses" in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contract assets and lease receivables: ECL is presented as an allowance, i.e. as an integral part of the

measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

b) Financial Liabilities

(i) Initial recognition and measurement of financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the issue of the financial liabilities.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

(ii) Subsequent measurement of financial liabilities


The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.



- **Loans and Borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

(iii) Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognised from its balance sheet when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.11. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.


For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

3.12. Taxes

Tax expense comprises of current income tax and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.



Current income tax relating to items recognised outside Statement of profit and loss is recognised outside Statement of profit and loss. Current income tax are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.



Deferred tax relating to items recognised outside Statement of profit and loss is recognised outside Statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Company recognizes tax credits in the nature of MAT credit as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which tax credit is allowed to be carried forward. In the year in which the Company recognizes tax credits as an asset, the said asset is created by way of tax credit to the Statement of profit and loss. The Company reviews such tax credit asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period. Deferred tax includes MAT tax credit.

3.13. Employee Benefits

a) Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are classified as short term benefits. Such benefits include salaries, wages, bonus, short term compensated absences, awards, ex gratia, performance pay etc. and the same are recognised in the period in which the employee renders the related service.

b) Post-Employment Benefits

(i) Defined contribution plan

The Company's approved provident fund scheme, employees' state insurance fund scheme and Employees' pension scheme are defined contribution plans. The Company has no obligation, other than the contribution paid/payable under such schemes. The contribution paid/payable under the schemes is recognised during the period in which the employee renders the related service.

(ii) Defined benefit plan

The employee's gratuity fund and Leave Encashment scheme is Company's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation using the Projected Unit Credit Method as at the date of the Balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on the net basis.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.



3.14. Earnings per share

Basic EPS is calculated by dividing the profit / loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit / loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.15. Provisions and Contingencies

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

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 recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the Financial Statements.


Contingent assets are not recognised but disclosed in the Financial Statements when an inflow of economic benefits is probable.

3.16. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

3.17. Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue. On-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted but disclosed.



3.18. Exceptional Items

An item of income or expense which by its size, type or incidence requires disclosure in order to improve an understanding of the performance of the Company is treated as an exceptional item and the same is disclosed in the notes to accounts.

4. Critical accounting Judgements and key source of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions about the reported amounts of assets and liabilities, and, income and expenses that are not readily apparent from other sources. Such judgements, estimates and associated assumptions are evaluated based on historical experience and various other factors, including estimation of the effects of uncertain future events, which are believed to be reasonable under the circumstances. The Management has considered the possible effects, if any, that may result from the pandemic relating to COVID-19 on the carrying amounts of its assets. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the management in the process of applying the Company's accounting policies and that have the most significant effect on the amount recognised in the financial statements and / or key sources of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.


Revenue recognition

The Company assesses its revenue arrangement in order to determine if its business partner is acting as a principle or as an agent by analysing whether the Company has primary obligation for pricing latitude and exposure to credit / inventory risk associated with the sale of goods. The Company has concluded that certain arrangements are on principal to agent basis where its business partner is acting as an agent. Hence, sale of goods to its business partner is recognised once they are sold to the end customer.

Defined benefit plans

The cost of the defined benefit plans and other post-employment benefits and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit



obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on expected future inflation rates for the country.

Further details about defined benefit obligations are provided in Note 28.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments. See Note 34 for further disclosures.

Taxes

Deferred tax assets are recognised for unused tax credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

The Company has taxable temporary difference and tax planning opportunities available that could partly support the recognition of these credits as deferred tax assets. On this basis, the Company has determined that it can recognise deferred tax assets on the tax credits carried forward and unused losses carried forward.


Further details on taxes are disclosed in Note 24.

Inventories

An inventory provision is recognised for cases where the realisable value is estimated to be lower than the inventory carrying value. The inventory provision is estimated taking into account various factors, including prevailing sales prices of inventory item, the seasonality of the item's sales profile and losses associated with expired / slow-moving inventory items.

Useful lives of Property, Plant and Equipment and Intangible assets

The Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. During financial years ended March 31, 2025, there were no changes in useful lives of property plant and equipment and intangible assets other than (a) useful lives of leasehold improvements which have been considered lower of the lease term or useful life and (b) those resulting from store closures / shifting of premises.



Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable IND AS. A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

The Company has significant capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company.

There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the Financial Statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability (Refer Note 25).

Lease Term

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.



