

# KDDL Limited

Kamla Centre, SCO 88-89, Sector 8-C, Chandigarh - 160 009, INDIA. Tel: +91 172 2548223/24, 2544378/79  
Fax: +91 172 2548302, Website:www.kddl.com CIN-L33302HP1981PLC008123



**Ref : KDDL/CS/2025-26/32**

**Date : 23<sup>rd</sup> August, 2025**

National Stock Exchange of India Limited  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex, Bandra,  
Mumbai - 400 051

BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400001

**Trading Symbol : KDDL**

**Scrip Code : 532054**

**Subject: Annual Report for the financial year 2024-25 and Notice convening 45<sup>th</sup> Annual General Meeting (AGM) of the Company**

Dear Sir/ Madam,

Pursuant to regulation 34(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, please find enclosed copy of Annual Report for the financial year 2024-25 and Notice convening 45<sup>th</sup> Annual General Meeting (AGM) of the Company.

Kindly take the same on record.

Thanking you,  
Yours truly

**For KDDL Limited**

**Brahm Prakash Kumar**  
**Company Secretary**



KDDL Limited

**PRECISION. QUALITY.  
EFFICIENCY. TEAMWORK.  
RESPECT. FAIRNESS.**

Annual Report  
2024-25

  
taratec

# ACROSS THE PAGES

## Corporate Overview

01-20

Key Highlights	02
Corporate Snapshot	04
Our Structure	06
Milestones	08
Financial Highlights	10
Our Environment Commitment	12
Our Social Commitments	14
Board of Directors	16
Corporate Information	20

## Statutory Reports

21-134

Management Discussion & Analysis	21
AGM Notice	42
Board's Report	58
Business Responsibility and Sustainability Report	78
Report on Corporate Governance	116

## Financial Statements

135-308

Standalone	136
Consolidated	217

For more investor-related  
information, please visit:

[https://www.kddl.com/  
financial-dashboard-yearly/](https://www.kddl.com/financial-dashboard-yearly/)

Or simply scan

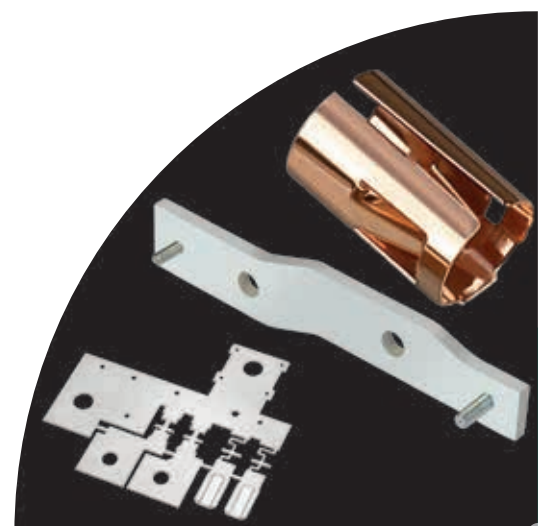


### Investor Information

Market Cap: (from 1 <sup>st</sup> July, 2024, to 31 <sup>st</sup> December, 2024)	BSE: Rs. 3,815.52 Crores  NSE: Rs. 3,816.34 Crores
CIN:	L33302HP1981PLC008123
BSE Code:	532054
NSE Symbol:	KDDL
Final Dividend:	Rs. 5 per Share
AGM Date and Time:	15 <sup>th</sup> September, 2025 at 03:00 p.m.
AGM Mode:	Video Conferencing (VC)/ Other Audio-Visual Means (OAVMs)

### Disclaimer

This document contains statements about expected future events and financials of KDDL Limited ('The Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other 'forward-looking' statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.





## PRECISION. QUALITY. EFFICIENCY. TEAMWORK. RESPECT. FAIRNESS.

*Our story is guided by six values that define who we are and how we grow: precision, quality, efficiency, teamwork, respect and fairness. They are more than words; they are the principles that shape our evolution into a globally respected manufacturing and design powerhouse for watch components and precision-engineered parts.*



### **Precision and Quality:**

Our uncompromising commitment to engineering excellence, from high-end watch components to advanced precision stamping solutions, is one of the pillars of our success.

### **Teamwork and Efficiency:**

We believe these values go hand-in-hand. Working with each other's strengths and diverse creativities, our shared goals drives us forward to achieve synergies and efficiencies, allowing us to compete globally in whatever we take up.

### **Respect and Fairness:**

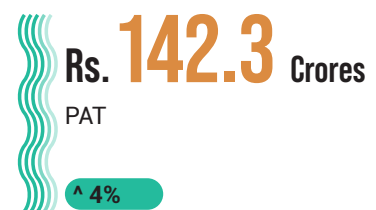
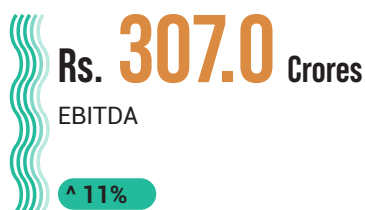
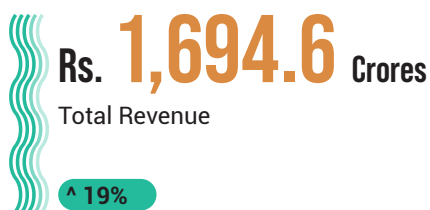
These values are the soul of our journey. The common thread that binds us and gives purpose, happiness and pride in our work as much as our relationships. Whether it is bonding with artisans or designers, negotiating contracts, or embracing our fellow citizens and our environment, we turn to these values to find our inspiration and direction. Every dial, bracelet, and engineered part is the result of skilled hands and sharp minds, with artisans, engineers, technicians, and designers working together with passion and purpose.

## Key Highlights

# BACKING EXCELLENCE WITH RESULTS

## FINANCIAL

*Our continued focus to uphold the highest quality standards, sharpen operational efficiency, and stay aligned with shifting consumer behaviour, drove strong consolidated financial performance across critical metrics in 2024-25.*



<sup>^</sup>y-o-y growth in 2024-25 over 2023-24

## MANUFACTURING OPERATIONS

*We operate across precision watch components, precision stampings, and packaging, serving both domestic and global markets. With a strong export base in Switzerland and other countries, we continue to improve efficiency, productivity, delivery, and turnaround time for new product development, while all critical financial parameters remain healthy and are improving in line with our long-term trend.*





## RETAIL

*Our subsidiary ETHOS Limited continues its steady and profitable growth, strengthening its pan-India presence and leadership in the luxury watch retail business.*

**73** Stores  
Retail Presence (Ethos)

**17.4%**  
Same Store Sales Growth (Ethos)

**11.5%**  
Net Profit Margin (Ethos)

**70**  
Premium and Luxury  
Watch Brands (Ethos)

**42**  
Exclusive Brands (Ethos)



Corporate Snapshot

## CRAFTING DISTINCTION THROUGH TIMELESS DESIGN

*KDDL Limited is a prominent name in the premium watch components industry. We manufacture watch dials, hands, indexes, appliques, precision stamped components and bracelets. Strengthening our presence across the value chain, we acquired Estima, a Swiss watch hand manufacturing facility.*

*Expanding beyond watch parts, our precision stamping business drives our expertise into diverse sectors. We design and manufacture high-quality stamped components, progressive tools, and subassemblies catering to various industries. These include automotive, electrical and electronics, consumer durables, industrial engineering, aerospace and defence, and emerging sectors like alternate and renewable energy. This diversification enhances our business endurance and deepens our commitment to precision and innovation across industries.*

*Our ornamental packaging business serves high value customers in the watch and jewellery segments.*







## ...OUR LEGACY



## ...EXPANDING VISTAS

We have pursued a vision to be a trusted global leader in manufacturing of watch components and precision engineering by adhering to the best quality, delivery, and operational practices for ensuring customer satisfaction.

After 2003, our vision expanded to encompass a leading role in luxury retail in India. Today, our subsidiary Ethos Limited operates India's largest luxury watch retail chain. Ethos, offers a curated portfolio of over 70 premium and luxury watch brands, with access to more than 7,000 models across categories—ranging from premium and bridge-to-luxury to luxury and ultra-luxury. Ethos is an exclusive retail partners in India for over 42 renowned global brands, reinforcing its position as the country's leading destination for fine timepieces. To further strengthen our presence in the global luxury watch market, we acquired majority ownership of Silvercity Brands AG, the Swiss company that owns the iconic watch brand Favre Leuba.





## Our Structure

# THE ARCHITECTURE OF EXCELLENCE

*KDDL operates through distinct business verticals spanning across manufacturing and retail through its subsidiaries. This framework reflects our focus on precision, innovation, and delivering premium consumer experiences.*

## OUR MANUFACTURING UNITS

### Packaging Unit

Designs and produces ornamental packaging.



### Eigen Engineering

Manufactures stamped components and progressive tools.



### Estima

Specialises in crafting watch hands and dials.



### Dials Unit

Manufacturer of high-quality dials and components with precision engineering and fine artistry.



### Hands Unit

Watch hands manufacturing units with exceptional precision and flawless finishing.



### Bracelet Unit

State-of-the-art plant for manufacturing watch bracelets for luxury Swiss watches.



## OUR SUBSIDIARIES



### Ethos Limited

Retails premium and luxury watches.

**50.12%**  
Together with our wholly owned subsidiary



### Mahen Distribution Limited

Distributes luxury lifestyle products and provides manpower services.

**100%**  
Ownership



### Pylania SA

Trading and manufacturing watch components.

**100%**  
Ownership



### Estima AG

Specialises in watch hands and dials.

**100%**  
Ownership



### Kamla International Holdings SA

Functions as a special purpose vehicle (SPV), and holding company.

**100%**  
Ownership



Business of premium luxury watches under the brand 'Favre Leuba'.

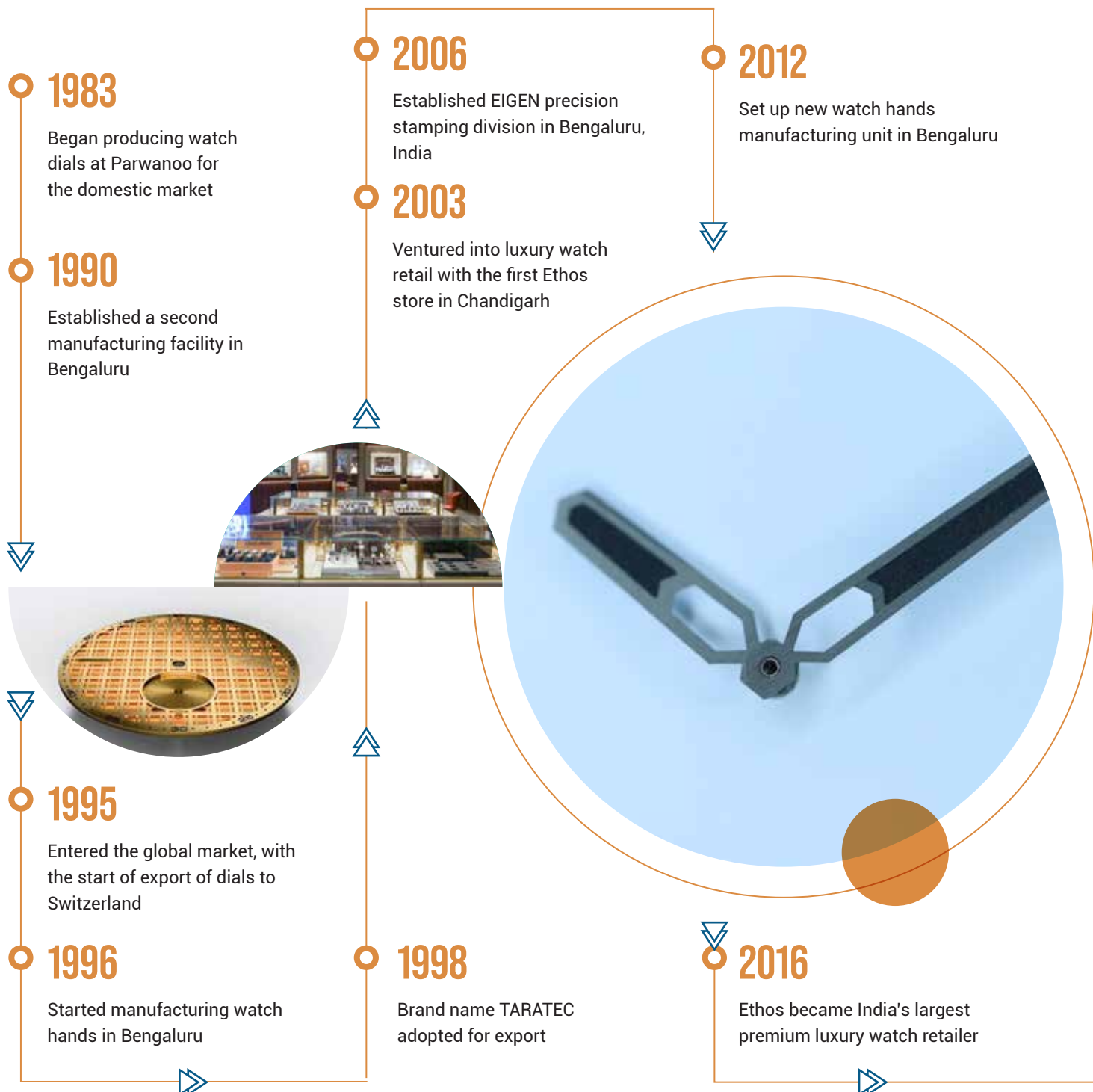
**92.63%**  
Directly and indirectly through subsidiaries



## Milestones

# CHARTING A PROGRESSIVE JOURNEY

*What started as a pioneering venture in Indian watch component manufacturing has evolved into a dynamic and diversified enterprise spanning precision engineering and luxury retail.*





**2019**

Acquired Estima, a Swiss watch hand manufacturing company in Grenchen

**2020**

Added a new unit for watch indexes and appliques in Bengaluru

**2024**

Commenced commercial production of steel bracelets at Dobbaspeta, Karnataka

**2018**

Shifted EIGEN to a new facility in Bengaluru's Aerospace Industrial Park

**2022**

Listed Ethos on BSE and NSE through a successful IPO

**2023**

Acquired the iconic Swiss brand, Favre-Leuba, with plans for a global relaunch



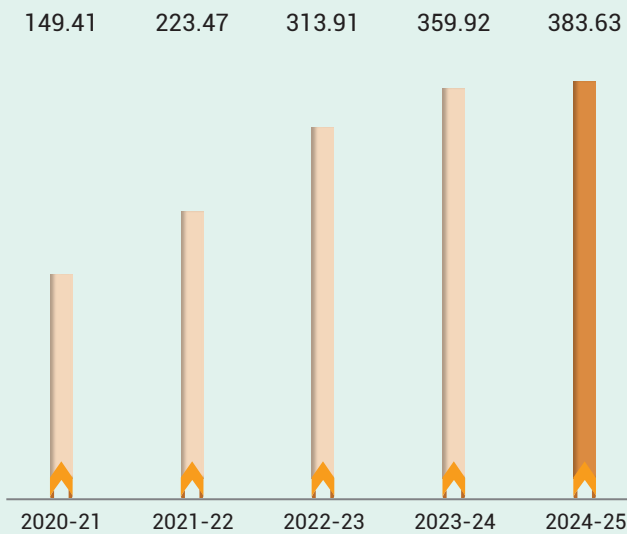
## Financial Highlights

# CHARTING FINANCIAL EXCELLENCE

## STANDALONE FINANCIALS

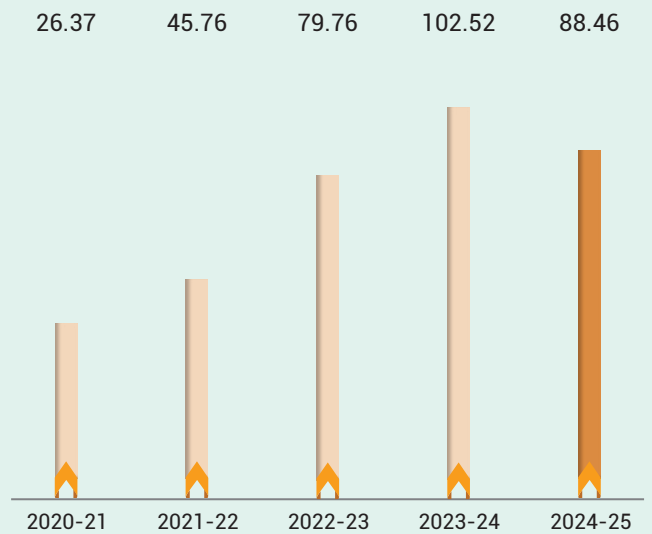
### Revenue

(Rs. Crores)



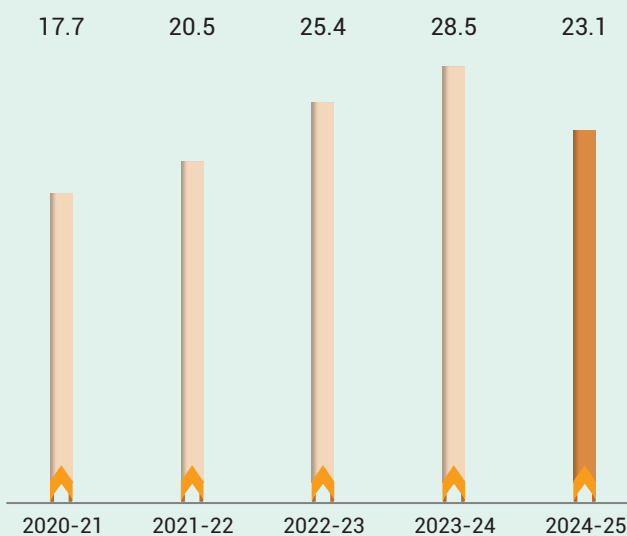
### EBITDA

(Rs. Crores)



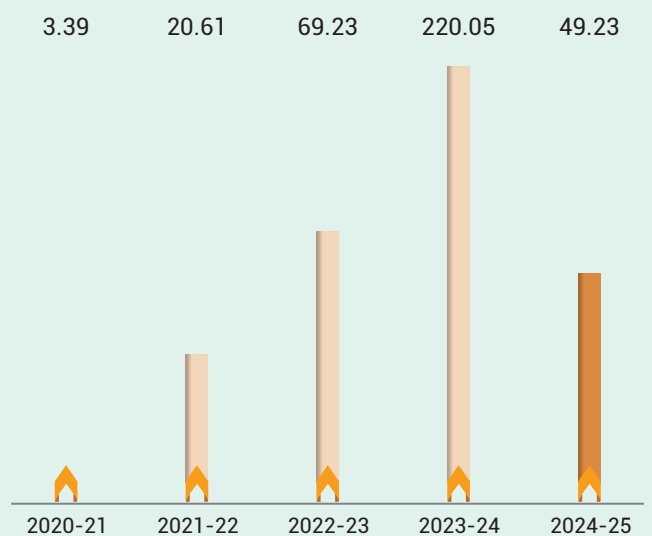
### EBITDA Margin

(%)



### PAT

(Rs. Crores)

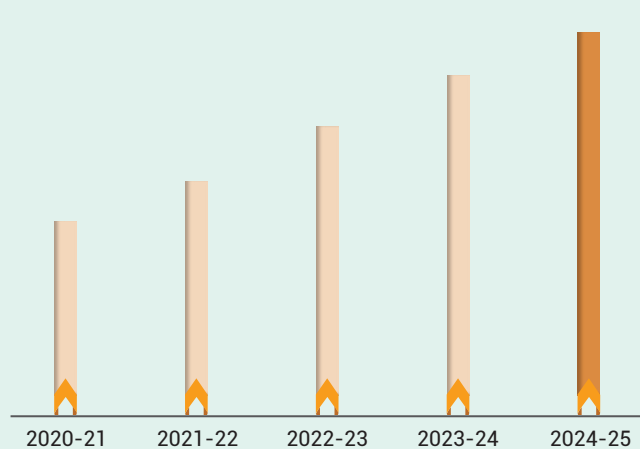


## CONSOLIDATED FINANCIALS

### Revenue

(Rs. Crores)

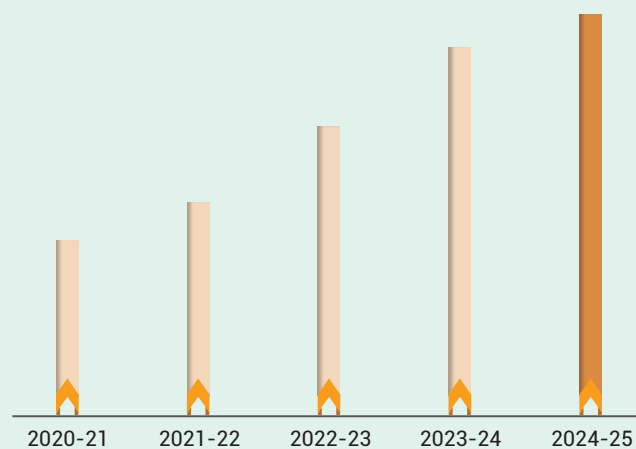
567.24    831.58    1,138.76    1,419.77    1,694.57



### EBITDA

(Rs. Crores)

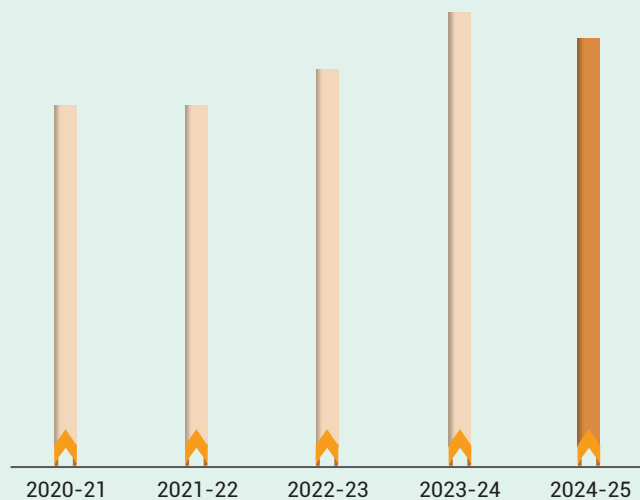
83.49    122.44    199.96    277.38    307.03



### EBITDA Margin

(%)

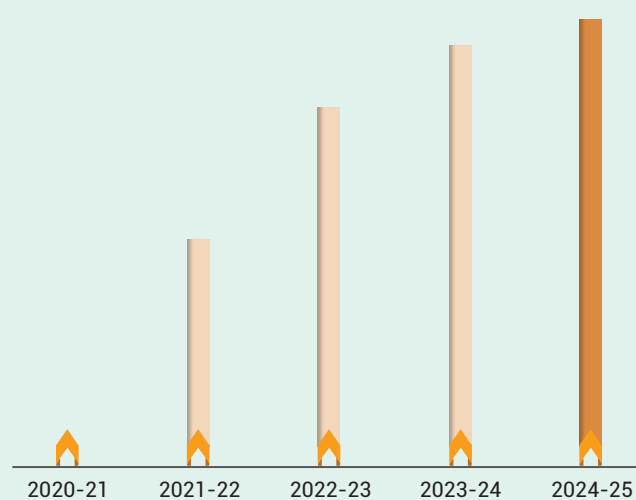
14.7    14.7    17.6    19.5    18.1



### PAT

(Rs. Crores)

6.97    37.15    76.98    137.45    142.28





## Our Environment Commitment

# GREEN IMPACT

*Environmental sustainability is not just a responsibility; it is a core value embedded in the way KDDL operates. We recognise the urgency of climate change and are committed to taking proactive, meaningful action to reduce our environmental footprint.*

Every effort, no matter how modest, pushes us closer to a healthier planet. Sustainability drives choices across our value chain, from product design to daily operations. By refining processes and managing resources with care, we ensure growth does not come at the environment's cost. We continue to evolve in our pursuit of a low-carbon future. Innovation, clean technology, and a culture anchored in sustainability help us move towards a greener tomorrow.

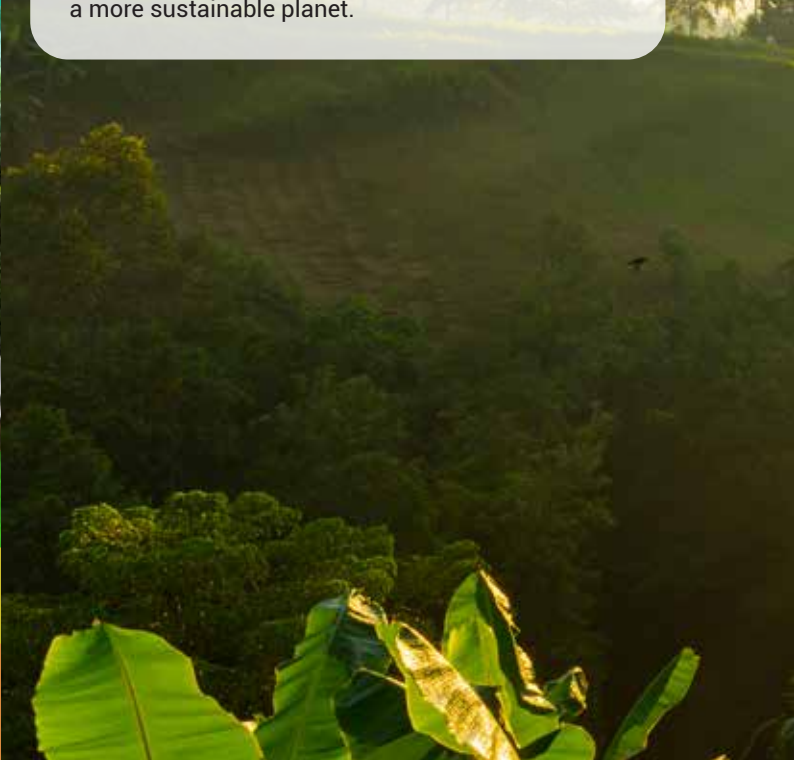


### The Million-Tree Project: Greening Our Planet

In response to the urgent need for ecological restoration, the Company has launched an ambitious initiative to plant and nurture 1 Million trees in ecologically degraded regions.

▶ As of 2024-25, a cumulative total of 3,76,707 trees have been planted by KDDL and Ethos reflecting the organisation's ongoing commitment to environmental sustainability.

During 2024-25, we deepened our impact by collaborating with trusted partners - SayTrees Environmental Trust and SankalpTaru Foundation, strengthening our shared vision of a more sustainable planet.









## Our Social Commitments

# EMPOWERING LIVES THROUGH COLLECTIVE ACTION

*We measure success not by profits alone but also by the impact we make on society. We work to uplift the underprivileged, support communities, and build a more inclusive future together.*



## Gift of Life: Promoting Organ Donation

We promote organ donation through our association with the MOHAN Foundation, a leading organisation in the field. Through this association, we:

Promote a life-saving cause by educating communities about the importance and transformative impact of organ donation.

Remain committed to this mission of compassion, offering hope and a second chance at life to those in need.







## Creating and Ensuring a Brighter Future

KDDL has partnered with Catalysts for Social Action (CSA), an NGO dedicated to creating and securing a brighter future for children under institutional care. Through this collaboration, KDDL supports CSA's Livelihood Programme, which focuses on:

Career awareness and orientation

Career counselling and job-oriented skill training

Access to higher education and skill development

Computer literacy and placement support

Enable better learning and stronger skills, paving the way for self-reliance and a brighter future.



## Board of Directors

# STEERING AMBITION WITH DEEP-ROOTED EXPERTISE



**Mr. Yashovardhan Saboo**  
Executive Chairman & Managing Director

Mr. Yashovardhan Saboo read Economics (Hons) at St. Stephen's College, Delhi University, followed by the MBA programme at IIM Ahmedabad. He founded Kamla Dials and Devices Limited (now KDDL Limited) in 1983 and has served as Managing Director of the Company since then. In 1993, he set up a specialist paint business, SBL Coatings. In 2003, he set up ETHOS Limited. In 2006, he set up the Precision Stamping unit, EIGEN Engineering, at Bangalore.

He was the Founder and President of AIFHI (All India Federation of Horological Industries). He has been in leadership roles in PHDCCI and CII. He served as President of Swiss-India Chambers of Commerce (North) and is a member of the GPHG (Grand Prix d'Horlogerie de Genève) Academy. He has served as a member of the jury for the GPHG Awards held at Geneva, Switzerland.



**Mrs. Anuradha Saboo**  
Promoter Director

Mrs. Anuradha Saboo is a graduate with a Bachelor's degree in Science from Bombay University. For several years, she headed the Packaging Division of KDDL LIMITED; during this tenure, she enrolled several export customers. Thereafter, when the ETHOS retail chain was established under KDDL, her responsibilities changed to take charge of the functions of marketing, training, and customer experience at ETHOS, which she managed for several years. She has excellent insight into the world of luxury and Swiss watches. She has a working knowledge of both French and German languages, which has been very useful in the business of the Company. She has continued to guide the TARATEC team for organising and managing international events and functions for export partners in Switzerland and Europe.



**Mr. Anurag Maheshwari**  
Independent Director

Mr. Anurag holds an MBA in HR from XLRI, Jamshedpur, and a Bachelor's in Engineering from BIT, Mesra, Ranchi. He is an accomplished, seasoned executive with over 25 years of global leadership experience in talent acquisition, executive search, and human capital assessments in the IT digital products and services industry.

He is presently serving as the Managing Director of Otsima Talent Solutions. He runs a cross-border boutique executive search firm focused on senior hiring and leadership assessments in international geographies for high-growth technology and digital transformation companies across various industry verticals. He partners with globally renowned IT services organisations and is credited with hiring some of the most well-known leaders in the industry, including CXOs, Business Unit Heads, and Sales Leaders.

Anurag was the Geo Lead for Talent Acquisition at Infosys, where he led and managed large-scale recruitment efforts across North America, India, and APAC. He was responsible for several technology, delivery, sales, consulting, and outsourcing hiring pursuits at the leadership and Board levels. His expertise lies in building impactful, diverse leadership teams, scaling global talent functions, and being a trusted adviser to C-suite executives on human capital strategies. Prior to that, Anurag worked in Tata Motors' Management Services division in IT Support and in Nestlé as a Personnel Executive.



**Mr. Chitranjan Agarwal**  
Additional Director

Mr. Chitranjan is a Chartered Accountant (ICAI) & Lawyer (Faculty of Law, Delhi), ICAI-Certified Specialisations, Anti-Money Laundering, CSR (Corporate Social Responsibility), Forensic and Fraud Accounting, GST and AI in Accounting. He has nearly 35 years' experience in governance, risk, compliance, transaction advisory, international tax FEMA and corporate law. He specialises in advising on the growth path for small and mid-cap firms. His industry exposure is broad and diverse encompassing sectors such as engineering, defence, beverages, pharma, healthcare, luxury retail, IT, startups and textiles.



**Mr. Jai Vardhan Saboo**  
Promoter Director

Mr. Jai Vardhan Saboo is a Promoter Director of the company since 2017. He has over 30 years of international business experience and most recently served as the Chief Executive Officer of Harmonia Holdings Group LLC, a leading systems integrator and information technology services company in the United State, prior to its successful sale to Madison Dearborn Partners in late 2024. Mr. Saboo continues to have various other business interests in the US and is an active angel investor in startups around the world. He is an active philanthropist and serves on the boards of several charities. Mr. Saboo is an alumnus of the Kellogg School of Management at Northwestern University and the Wharton School at the University of Pennsylvania.



**Mr. Nagarajan Subramanian**  
Independent Director

He graduated in Mechanical Engineering (Madras University, 1978) and did post graduate Diploma in Management from IIM, Ahmedabad (1980). He has worked in various positions in sales and marketing, business development and strategic planning with 3 blue-chip companies (Voltas Limited, Titan Industries Limited and Walt Disney India Private Limited). He set up the highly successful retail chain, 'World of Titan' and made it an Indian benchmark for successful franchising of a retail concept. He left Walt Disney India Private Limited as the Country Director for Disney Consumer Products in 1995 and set up En Theos Consulting to advise lifestyle retail businesses in scaling up profitably. He also represented Warner Bros Consumer Products as their India representative for over 10 years, leveraging the skillsets in retailing, franchising and licensing. Some of the marquee clients include Mattel Toys Limited, Ethos Limited, Fossil India Private Limited, Triumph International, Warner Bros. Consumer Products; Baggit India Private Limited, just to name a few. He is a lifetime member of Centre for Independent Directors (IICA).





**Mrs. Neelima Tripathi**  
Independent Director

Mrs. Neelima Tripathi is BA (Hons) Economics from Sri Ram College of Commerce, Chartered Accountant and Law Graduate. She is registered with the Bar Council of Delhi and a practicing Senior Advocate. She is empanelled as an Arbitrator with the Delhi International Arbitration Centre (DIAC), New Delhi; and conducting arbitrations as an Arbitrator and also as a Counsel. She has a litigation practice of over 30 years dealing in Civil & Commercial Court disputes, Writ Petitions, Arbitrations, constitutional issues; and also dealing in corporate and white-collar criminal matters. She has the teaching experience at the Jindal Global Law University and also engages with NGOs working for women empowerment. The areas of legal expertise include Property & Land Laws, Commercial Litigation and Arbitrations, taxation, Infrastructure related matters, Pharmaceutical Laws, Petroleum Laws etc. She has participated in Seminars & Panel Discussions; has written Articles on Constitutional Issues, Mental Health, Senior Citizens Rights & Welfare etc. and delivered Talks on issues relating to Senior Citizens, Women & Children and other socially relevant issues.



**Mr. Praveen Gupta**  
Independent Director

Mr. Praveen Gupta is a Director of the Company since 2014. He is a B. Tech (Electrical Engineering) from IIT, Kanpur, and an MBA from IIM, Ahmedabad. He has 41 years of experience at senior levels in global and large Indian auto component and industrial products companies. In these leadership roles, he has successfully managed rapid growth and industrial turnarounds. He currently advises organisations to improve upon their business performance and ESG initiatives, and also supports incubation and entrepreneurial activity for start-ups.



**Mr. Sanjeev Kumar Masown**  
Executive Director & Chief  
Financial Officer

Mr. Masown has been our Executive Director since 2016 in addition to his role as Chief Financial Officer (CFO) since 2011. He is a qualified CMA, a Fellow of the Institute of Cost Accountants of India, and holds a post graduate degree in commerce along with a Six Sigma Green Belt certification.

He brings over 31 years of experience and understanding of the industry and exposure to various fields and areas relevant for the Company. His expertise and strong background in financial planning and strategies, reporting, fund raising, banking, financial restructuring, mergers, acquisitions, taxation, compliances, fund management, automation, risk management and commercial areas, among others, brings added advantage to the Company. He is directly leading our strategic and fast-growing precision engineering business segment 'EIGEN'. His leadership qualities, business acumen, strong commercial background, relationship management, out-of-the-box thinking, people-centric approach and strategic initiatives are acting as a catalyst in the growth and development of the Company and enhancing value for the shareholders.





**Mr. Sanjiv Sachar**  
Independent Director

Sanjiv Sachar retired on 31<sup>st</sup> October, 2016, as the Senior Partner of Egon Zehnder, the world's largest privately held executive search firm. Sanjiv set up the Egon Zehnder practice in India in 1995 and played a key role in establishing the firm as a market leader in the executive search space across various industry segments. For 5 years Sanjiv was the India Country Head. In addition, he was a core member of the Firm's Global Financial Services and Industrial Practice and led the CFO practice in India. In 1985, Sanjiv co-founded a Chartered Accountancy and Management Consulting firm, Sachar Vasudeva and Associates. He also co-founded an Executive Search Firm Direct Impact. Sanjiv started his corporate career in the finance function with SRF Nippondenso (now known as Denso), one of the world's largest manufacturer of starter motors. Post qualifying as a Chartered Accountant in 1982, Sanjiv started his career with the management consulting division of A F Ferguson (now part of Deloitte).

Sanjiv was Government of India's nominee for five years on the first board constituted of the Indian Institute of Management, Rohtak. He was a Non-Executive Independent Director of HDFC Bank for 5 years (2018-2023). In addition, he was the member of the Strategic Advisory Committee of the Board on HR for Bank of Baroda. He is currently on the boards of KDDL Chandigarh (holding company of Ethos Watches) and Info Edge (India) Limited and is the Senior Adviser for KPMG in India. In addition, Sanjiv is a Partner in the Delhi Chapter of Social Venture Partners, a global philanthropic network. He is the Chief Mentor at Huddle, an Accelerator and Fund for early-stage ventures in India. Sanjiv has a Bachelor degree (Economic Honours) from Hindu College, University of Delhi (1978) and is a Fellow Member of the Institute of Chartered Accountants of India (1982).



# CORPORATE INFORMATION

## BOARD OF DIRECTORS

**Mr. Yashovardhan Saboo**  
Executive Chairman & Managing  
Director

**Mrs. Anuradha Saboo**  
Promoter Director

**Mr. Anurag Maheshwari<sup>§</sup>**  
Independent Director

**Mr. Chitranjan Agarwal<sup>#</sup>**  
Independent Director

**Mr. Jai Vardhan Saboo**  
Promoter Director

**Mr. Nagarajan Subramanian**  
Independent Director

**Mrs. Neelima Tripathi**  
Independent Director

**Mr. Praveen Gupta**  
Independent Director

**Mr. Sanjeev Kumar Masown**  
Executive Director & Chief Financial  
Officer

**Mr. Sanjiv Sachar**  
Independent Director

**Mrs. Ranjana Agarwal<sup>\*</sup>**  
Independent Director

**Mr. Anil Khanna<sup>\*</sup>**  
Independent Director

<sup>§</sup>Appointed w.e.f 31<sup>st</sup> May, 2025

<sup>#</sup>Appointed w.e.f 19<sup>th</sup> May, 2025

<sup>\*</sup>Ceased to be Director w.e.f  
6<sup>th</sup> August, 2024

## COMPANY SECRETARY & COMPLIANCE OFFICER

**Mr. Brahm Prakash Kumar**

## BANKERS

IDBI Bank Limited  
YES Bank  
State Bank of India  
HSBC Limited

## STATUTORY AUDITORS

M/s. Walker Chandio & Co. LLP  
Chartered Accountants

## REGISTERED & CORPORATE OFFICES

**Corporate Office**  
Kamla Centre, S.C.O. 88-89, Sector  
8-C, Madhya Marg,  
Chandigarh - 160 009

### Registered Office

Plot No. 3, Sector III,  
Parwanoo - 173 220,  
Himachal Pradesh

## MANUFACTURING FACILITIES

### Dials Units

#### UNIT – I

Plot No. 3, Sector III,  
Parwanoo - 173 220,  
Himachal Pradesh

#### UNIT – II

Haibatpur Road, Saddomajra, Near  
Gulmohar City, Derabassi - 140 507,  
Punjab

#### UNIT – III

Village Dhana, Bagbania, PO  
Manpura, Tehsil: Baddi, District:  
Solan - 173 205, Himachal Pradesh

## Hands Units

### UNIT – I

Plot No. 296-297, 5<sup>th</sup> Main, 4<sup>th</sup> Phase,  
Peenya Industrial Area,  
Bengaluru - 560 058, Karnataka

### UNIT – II

408, 1<sup>st</sup> and 2<sup>nd</sup> Floor, 11<sup>th</sup> Cross,  
4<sup>th</sup> Main, 4<sup>th</sup> Phase, Peenya Industrial  
Area, Bengaluru - 560 058, Karnataka

## Packaging Units

### UNIT – I

Plot No. 9, Sector V,  
Parwanoo - 173 220,  
Himachal Pradesh

### UNIT – II

Plot No. 219, Industrial Area - 1<sup>st</sup>  
Phase, Panchkula - 134 113, Haryana

### EIGEN UNIT

Unit No. 55-A, Hunachur Village, Jala  
Hobli, Yelahanka Taluk, Bengaluru  
North, Near Kiadb Aerospace Park,  
Bengaluru - 562 149, Karnataka

### Bracelet Division

Plot No. 29-A7, Dobbaspeth Industrial  
Area, Phase-4, Honnenahalli Village,  
Sompura Hobli, Nelamangala Taluk,  
Bengaluru - 562 111, Karnataka

## STATUTORY & CONTACT DETAILS

### CIN

L33302HP1981PLC008123

**Telephone:** +91 172 2548223/24

**Fax No.:** +91 172 2548302

**Email:** investor.complaints@kddl.com

**Website:** www.kddl.com

# MANAGEMENT DISCUSSION & ANALYSIS



## GLOBAL ECONOMY

After a period of steady growth, the current moderation in global economic activity presents a strategic opportunity to realign policy frameworks towards more sustainable and inclusive development. Headline inflation is broadly expected to decline further, supporting real incomes and potentially easing financial stress on households. However, some select economies have experienced modest upward revisions.

Although risks such as trade tensions and policy uncertainty continue to cast a shadow, they also

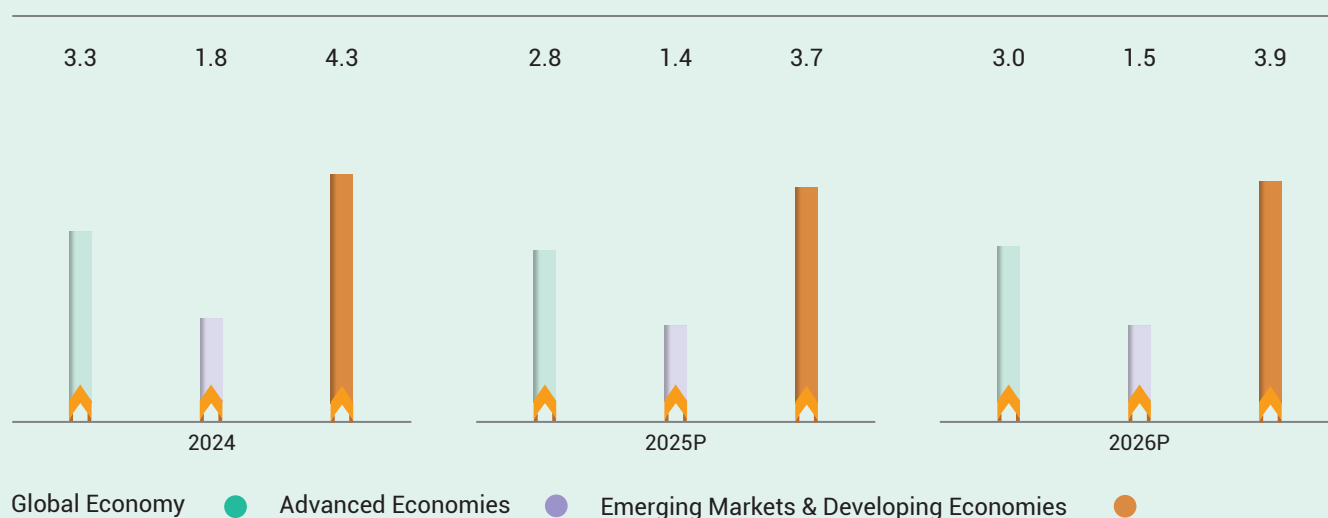
present an opportunity to reinforce global policy coordination and build resilience, especially in emerging markets.

The global economy grew at a moderate pace of 3.3% in 2024, indicating relative stability despite subdued momentum. However, as 2025 progresses, a major shift is underway, driven by nations adjusting policy priorities in response to rising geopolitical tensions and evolving economic pressures. The USA has introduced a new wave of tariff measures, prompting swift and strong retaliatory actions from major

trading partners. This culminated in the imposition of near-universal tariffs on 2<sup>nd</sup> April. Consequently, effective tariff rates have surged to their highest levels in over a century, causing a sharp and damaging blow to global growth. The shock has been compounded by the pace and unpredictability of these policy shifts. Economic uncertainty has risen markedly, and the near-term global outlook has grown increasingly volatile. Traditional forecasting models have been undermined by the instability, making past assumptions unreliable.

GDP Growth Projections

(%)



(Source: World Economic Outlook, April 2025) P : Projected





## USA

The USA economy is projected to grow by 1.8% in 2025, reflecting a slowdown influenced by the combined effects of tight monetary policy and rising trade tensions. Inflation is expected to remain elevated at approximately 3.0%, with newly imposed tariffs accounting for nearly one percentage point of this rise. Meanwhile, domestic consumption is softening, and the manufacturing sector is under increasing cost pressure due to ongoing disruptions in global supply chains.

## China

China's economic forecast for 2025 has been revised to 4%. The slowdown is being driven by weaker global demand, internal efforts to reduce debt, and a strategic transition towards a more consumption-led economy. Inflation is likely to remain subdued and may even slip into deflation, raising concerns about underlying demand weakness and the risk of renewed credit stress, particularly in the property sector.

## Euro Area

The Euro Area's growth prospects have been revised down to 0.8% for 2025, amid ongoing weakness in both consumption and exports. Investor confidence, particularly in Germany and France, is being shaken by continued energy insecurity and rising political instability within parts of the region.

## OUTLOOK

Although the global economy continues to face multiple challenges, the current period also provides a critical opportunity to enhance resilience and shift towards a more sustainable growth path.

The adaptability demonstrated by many economies under pressure signals a clear potential for recovery, primarily through well-coordinated policy efforts and targeted reforms. Projections indicate that global growth will slow to 2.8% in 2025 before rebounding to 3% in 2026. Sluggish investment, persistent inflationary pressures, and restrained consumer spending drive this moderation. Heightened trade tensions and persistent geopolitical risks, especially those involving tariffs and regional instability, are expected to maintain elevated uncertainty levels, suppressing both trade and capital flows. Underlying structural issues such as demographic transitions, capital

misallocation, and income inequality continue to constrain productivity, posing further risks to medium-term growth. While advanced economies are likely to experience slower growth due to tighter monetary policy and ageing populations, emerging markets and developing economies may see varied outcomes based on their exposure to global

demand, reform momentum, and commodity cycles.

Furthermore, inflation is expected to ease gradually, though in some regions it may remain above target, necessitating a measured monetary stance that could further temper growth trajectory.

*(Source: International Monetary Fund | April 2025)*



## INDIAN ECONOMY

India continues on a path of robust growth trajectory, with GDP at 6.5% in 2024-25, placing it ahead of many global peers. This figure reflects the country's sustained momentum despite ongoing global economic uncertainty. The projection is supported by robust domestic fundamentals and strategic policy interventions, which continue to drive the nation's growth underpinned by strong performance across the agricultural and service sectors, and stable private consumption and macroeconomic equilibrium. Ongoing structural reforms, technological innovation, and significant infrastructure development fuel the nation's economic growth. Additionally, targeted governmental measures further ensure the sustainability of this growth, while steady consumption and improved labour market conditions strengthen the outlook.

India is experiencing a sharp surge in the population of Ultra High Net Worth Individuals (UHNIs) and High Net Worth Individuals (HNIs), driven largely by a new generation of young wealth creators. With per capita income exceeding USD 2,000 and approaching USD 2,500, discretionary spending is accelerating as consumers shift from essentials to premium categories such as travel, healthcare, electronics, jewellery, and luxury goods. These categories are expected to expand at a CAGR of 13–17% through 2026-27.

The rising standard of living is evident in increasing household spending, a growing share of non-essential consumption, and strong consumer expenditure, reaching Rs. 24.6 Trillion in Q2 2024. Backed by income and employment growth across urban and rural India, this trend is fuelling demand for premium and aspirational products.

Among the biggest beneficiaries is the luxury watch segment. Valued at USD 1.6 Billion in 2024, India's luxury watch market is set to grow at a CAGR of 5.7%, reaching USD 2.8 Billion by 2033. Growth is driven by rising disposable incomes, expanding affluent classes, and evolving preferences towards luxury timepieces as symbols of success. Millennials and Gen Z are emerging as key drivers, attracted by craftsmanship, heritage, and the investment appeal of premium watches. Increased global exposure, digital influence, and e-commerce accessibility are further accelerating this shift—firmly linking India's wealth trajectory to luxury watch consumption.

(Source: <https://www.imarcgroup.com/india-luxury-watch-market>, <https://luxebok.in/the-rise-of-indian-hnis-and-uhnis-in-2024/>, <https://www.dbs.com/in/treasures/articles/learning-centre/high-net-worth-individual-hni>, <https://upstox.com/news/upstox-originals/investing/india-s-discretionary-spending-boom-lessons-from-the-usa-and-china/article-145469/>, <https://www.deloitte.com/in/en/our-thinking/spotlight-on-indian-economy/india-economic-outlook-august-2024.html>)



## OUTLOOK

As India steps into 2025-26, the nation's economic outlook remains cautiously optimistic, shaped by the persistent influence of global geopolitical tensions, ongoing trade disruptions, and the potential volatility in commodity prices.

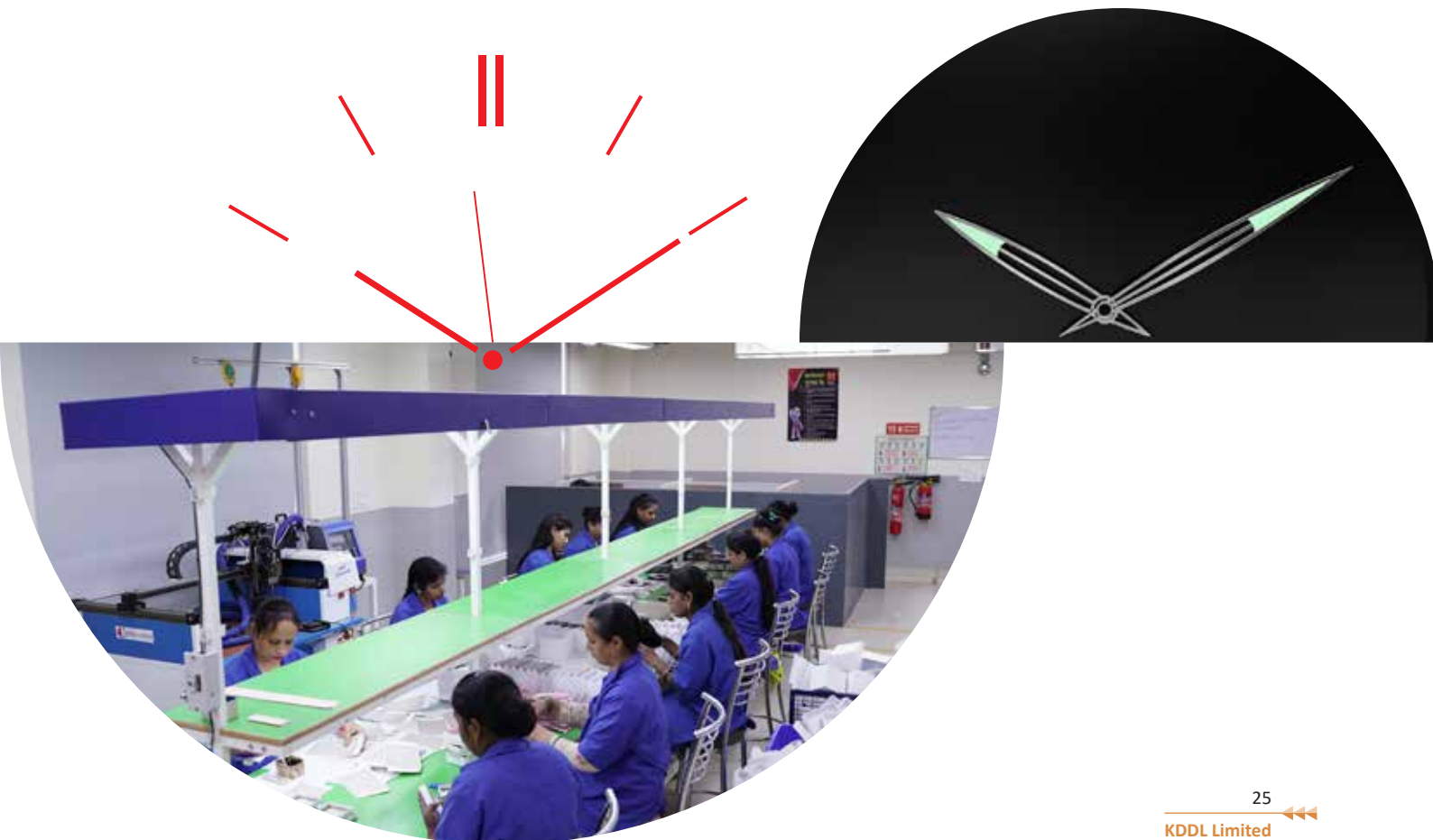
Domestically, sustaining GDP growth will hinge on several key drivers, including reviving private sector investment, fostering greater consumer confidence, and accelerating corporate wage growth. Encouragingly, rural demand is set to gain strength, supported by a rebound in agriculture, stabilising food inflation, and an overall favourable macroeconomic environment. In the medium term, India's economic resilience will depend on its ability to enhance global competitiveness. This

calls for structural reforms and a push towards deregulation at the grassroots level. Moreover, fostering a more business-friendly environment will be crucial to mitigating vulnerabilities and ensuring long-term economic sustainability.

Geopolitical tensions and re-alignment of trading partners in major economies are leading to softening of the market conditions and necessitating the need for waiting and watching with cautious optimism. On one side, the market environment is subdued due to war and turmoil in different parts of the world, coupled with political uncertainty in many economies, tariff and non-tariff barriers leading to protectionist stance by major countries. On the other hand, there

are positive developments, especially with India, due to signing of free trade agreements, preferential/MFN treatment in trade, growth in Indian GDP, softening of interest rates, major push for Make in India and consistent interest in India due to high consumption economy. These major macroeconomic factors require organisations to align the strategy and operations focus with the market realities. Strengthening and widening of the internal capabilities, improving productivity and new product development, speed of response and strong engagement with customers are necessary in the present environment and will help in growth and development post normalisation of the uncertain and dynamic environment.

*(Source: Economic Survey 2024-25)*



## SWISS WATCH INDUSTRY

The Swiss watchmaking industry, which is the bellwether for the health of the global watch business, experienced a year of contrasts in 2024, with uneven performance across key markets and brands. Swiss watch exports declined by 2.8% year-on-year to CHF 25,993.1 Million, reflecting a steady downward trend with no major fluctuations. Export volume of Swiss watches shipped to international markets dropped significantly by 9.4%, with only 15.3 Million units exported during the year. This is 1.6 Million fewer units compared to 2023, marking one of the lowest shipment levels in recent history. This softening was largely attributed to subdued global demand and ongoing macroeconomic uncertainties in key geographies and over-accumulation of inventory over previous years.

The beginning of 2025 appeared more optimistic, with cumulative

exports rising by 4.0% through April. However, this growth was largely skewed by an exceptional 149% surge in exports to the USA market in April—a one-off event driven by a rush of shipments ahead of anticipated new tariffs. Excluding this anomaly, the underlying trend remains weak, with exports likely continuing their decline. Major markets such as China and Hong Kong posted sharp drops in April, with exports falling by 31% and 23% respectively, extending the sustained downward trajectory seen throughout 2024.

Regionally, North and South America emerged as the most dynamic markets, with a 5.4% increase, accounting for one-fifth of total Swiss watch exports. The USA, with a 5.0% year-on-year rise, solidified its position as the industry's leading market for the fourth consecutive

year, with a favourable outlook going forward.

In contrast, Asia witnessed a 7.6% decline, largely due to steep contractions in China (-25.8%) and Hong Kong (-18.7%), with China's export figures falling to near-2019 levels. However, Japan (+7.8%) experienced strong growth, primarily fuelled by tourist demand, reclaiming third position globally. South Korea also recorded robust growth of 8.7% due to a favourable base effect, while Singapore (-2.1%) aligned with the global average.

Europe remained relatively stable with a marginal decline of 0.1%. Market performance varied modestly across countries: France grew by 2.5%, while the UK and Italy each declined by 1.6%, and Germany saw a 3.8% drop.

### Swiss Watch Exports Market

Markets	(Million CHF)					Variance
	2024	2023	2022	2021	CAGR	vs. Last year
USA	4,372.5	4,162.7	3,891.0	3,080.5	12.4%	5.0%
China	2,053.4	2,767.8	2,568.6	2,966.9	(11.5)%	(25.8)%
Japan	1,965.2	1,822.9	1,693.0	1,417.1	11.5%	7.8%
Hong Kong	1,914.9	2,356.4	1,908.8	2,133.2	(3.5)%	(18.7)%
UK	1,716.3	1,744.0	1,620.8	1,334.1	8.8%	(1.6)%
Singapore	1,620.8	1,655.1	1,615.2	1,277.0	8.3%	(2.1)%
France	1,311.9	1,280.0	1,184.0	953.9	11.2%	2.5%
Germany	1,305.8	1,357.9	1,292.2	1,061.3	7.2%	(3.8)%
UAE	1,272.0	1,264.1	1,126.5	997.4	8.4%	0.6%
Italy	1,049.4	1,066.9	976.2	859.6	6.9%	(1.6)%
India	273.9	218.8	187.8	156.8	20.4%	25.2%
Other Countries	7,137.0	7,051.7	6,795.0	6,064.3	5.6%	1.2%
<b>Total</b>	<b>25,993.1</b>	<b>26,748.3</b>	<b>24,859.1</b>	<b>22,302.1</b>	<b>5.2%</b>	<b>(2.8)%</b>

Exports to India grew strongly by 25.2% year-on-year, rising from CHF 0.22 Billion in 2023 to CHF 0.27 Billion (approximately CHF 274 Million) in 2024—making India the fastest-growing export market for Swiss watches last year. While this growth is remarkable, India's share remains small, accounting for only about 1% of total Swiss watch exports, indicating significant headroom for further expansion.



## OUTLOOK

The outlook for the Swiss watch industry remains cautiously optimistic. India presents a strategic growth opportunity, but long-term success will depend on sustained consumer engagement, localisation strategies, and brand education. Swiss manufacturers are increasingly partnering with trusted retailers and investing in experiential retail formats to build deeper

## INDIAN WATCH INDUSTRY

India is emerging as one of the most promising growth markets for the global luxury watch industry and is now undergoing a profound transformation. This shift is driven by a combination of rising affluence, evolving consumer behaviour, and a rapidly expanding retail ecosystem that together create a perfect storm for growth.

A key driver of this change is the rise of the affluent Indian consumer. While India's 1.4 Billion-strong population still includes a majority with modest incomes, the number of affluent individuals is set to grow significantly—from 60 Million in 2023 to 100 million by 2027, according to Goldman Sachs Research. This growing class is increasingly seeking luxury experiences and products, with high-end Swiss watches emerging as coveted status symbols that reflect personal achievement and social prestige. Building on this trend, Swiss watchmakers are intensifying their focus on India as a key future market. The number of millionaires in the country is projected to reach 1.6 Million by 2026, further fuelling demand for luxury timepieces. For decades, Swiss watches have held a special place in Indian culture as emblems of success—traditionally acquired during overseas trips or at exclusive boutiques in upscale neighbourhoods like Mumbai. Today, this demand is no longer confined to the wealthy elite; it is being

connections with Indian consumers.

The pre-owned and certified pre-owned (CPO) market is also gaining traction within the Swiss segment, creating new revenue channels and enhancing brand lifecycle value. Simultaneously, there is a growing focus on sustainability, with leading Swiss brands incorporating eco-innovation, ethical sourcing, and circular economy principles into their production processes.

increasingly driven by an aspirational younger generation.

This rising demand for luxury timepieces has spurred the growth of retail infrastructure across the country. Pioneering companies have laid the foundation for luxury watch retail in India, expanding from major metropolitan areas into Tier-II cities. What started as a bold venture two decades ago is now a thriving network of multi- and mono-brand stores carrying renowned Swiss brands across a wide price range. These brands have cemented their place in India's premium market, a clear reflection of the growing appetite for high-end horology.

Beyond retail, India's luxury watch culture is evolving. Collector communities such as RedBar India are flourishing, while digital media platforms are sparking increased consumer interest in luxury timepieces. As India's digital exposure increases and disposable incomes rise, luxury watches are increasingly seen not just as functional items, but as aspirational lifestyle accessories that define personal style and success.

A key factor in this evolution is the growing association of luxury watches with style. Alongside the rising demand for premium, custom-made timepieces, consumers are becoming more style-conscious. Watches are no longer just tools to tell time; they are coveted fashion statements of success and prestige. This transformation is driving

To maintain global leadership, Swiss watchmakers must remain agile—balancing tradition with innovation, exclusivity with accessibility, and craftsmanship with conscious luxury. As the next wave of watch collectors and enthusiasts emerges, brands that embrace digital transformation and consumer-centric storytelling will be best positioned to thrive.

<https://www2.deloitte.com/in/en/pages/consumer-business/articles/deloitte-swiss-watch-industry-insights-2024.html>

the market's growth, with luxury timepieces now seen as essential accessories for those seeking to make a statement of both elegance and status.

The success of the Indian market is reflected in the growth of Swiss watch exports to the country. In the first quarter of 2025, Swiss watch exports increased by 10.5% year-on-year, reaching CHF 104.3 Million (~Rs. 1,100 crores). This follows a standout 2024, where India saw the fastest export growth rate for Swiss timepieces globally. Deloitte's predictions suggest that Swiss watch exports to India will grow steadily, pushing India into the top 10 global markets for Swiss exports.

This growth is being supported by strengthening trade relations between India and Switzerland. A landmark free trade agreement (FTA) between India and the European Free Trade Association (EFTA) is set to eliminate the 20% import duty on Swiss watches over the next seven years. The India-Switzerland FTA, which takes effect in October 2025, will be a crucial step in the evolution of India as an important luxury watch market.

(Source: <https://www.imarcgroup.com/india-watch-market#:~:text=Market%20Overview;key%20factors%20driving%20the%20market>).

<https://www.luxurytribune.com/en/india-becomes-fastest-growing-market-for-swiss-watch-exports>

<https://www.nytimes.com/2024/09/11/fashion/watches-india-sales.html>)

## GLOBAL METAL STAMPING MARKET

The global metal stamping market was valued at USD 236.8 Billion in 2023 and is projected to reach USD 316.7 Billion by 2030, growing at a CAGR of 4.2% during 2024-2030.

Metal stamping components have very wide applications in various industries such as Electrical, Electronics, Automotive, Industrial, Consumer durables, Medical, Instrumentation, Aerospace and Defence, Infrastructure, Railways, Shipping and Space. Metal stamping business requires the investment, technology, know-how and skill of core manufacturing setups with availability of the trained and skilled manpower.

The company's precision engineering division, anchored by established brands like Eigen, continues to demonstrate strong growth, driven by increasing export momentum and rising demand from emerging geographies and advanced technology sectors. The Company supplies precision-engineered components to various segments such as automotive, electronics, alternate energy, aerospace and consumer durables.

Eigen is ideally placed by serving customers in many segments through niche capabilities, certifications and long and strong relationships with reputed customers for quality products. 'Make in India' in push by the Government of India, China Plus One one focus of many developed countries, including

USA, geopolitical compulsions and alignments will create enormous opportunities for competent players like Eigen to grow and develop in the precision engineering business. With the global metal stamping market projected to grow significantly, these policy measures enable companies like KDDL to tap into high-value global segments and strengthen OEM partnerships.

## GLOBAL ORNAMENTAL PACKAGING MARKET

The global ornamental packaging market is projected to grow from USD 11.1 Billion in 2025 to USD 16 Billion by 2035, at a CAGR of 3.7%. Despite its relatively small volume share, ornamental packaging commands high margins, particularly in rigid boxes and foil-laminated cartons, and plays a critical role in brand identity and premium positioning.

Presently, KDDL has an insignificant presence in the global packaging market and in the emerging domestic market. There are huge market opportunities for luxury packaging across luxury goods, jewellery, watches, and premium gifting. Many international and reputed players are looking for the supply of quality packaging for their products and market. This opportunity provides players like KDDL with the scope to develop world-class facilities and emerge as preferred partners for premium packaging, driving both import substitution and global supply chain integration.

Consistent with its long-term approach, KDDL is expanding its manufacturing capabilities to meet growing customer requirements. Backed by strategic investments and deep-rooted relationships with global OEMs, the Company is well-positioned to capture a larger share of high-value, technology-driven opportunities across diverse sectors.

(Source: <https://www.grandviewresearch.com/industry-analysis/metal-stamping-market>)

The ornamental packaging division continues to enhance its revenue profile by onboarding new customers and entering additional market segments. During the year, revenue witnessed a healthy uptick, driven primarily by strong demand and a steady flow of RFQs in the domestic market.

In parallel, the division is engaging with international brands operating in India, offering premium packaging solutions tailored to their specifications. This approach enables the Company to meet global quality standards while leveraging the advantages of a robust and dependable domestic supply chain.

While still in the early stages of its growth journey, the business is witnessing encouraging traction. Export opportunities remain a key area of future focus, and the Company is actively building capabilities and forging strategic partnerships to support the growth of the business.

(Source: <https://www.futuremarketinsights.com/reports/luxury-packaging-market#thankyou>)

## OUTLOOK

The Indian watch market is experiencing strong and sustained growth, driven by rising affordability, evolving consumer preferences, increasing brand awareness, and the growing availability of international and premium watch brands in the country. Watches have become widely accessible and are now seen as fashion accessories, particularly in the lower and mid-price segments where consumers are looking for value without compromising on quality. This trend is gaining further momentum with a growing number of women buyers, both in India and globally, contributing to a broader customer base.

At the other end of the spectrum, the premium and luxury segments are firmly led by organised players, who now account for 92% of the market. These brands are winning over consumers by offering better service, longer warranties, and stronger brand trust, key factors that are driving the adoption of high-end timepieces.

Meanwhile, younger consumers are playing a growing role in shaping demand. Drawn to a mix of traditional craftsmanship and innovation, they increasingly view watches as both lifestyle statements and symbols of status. With demand growing across price points and age groups, and with quality and service remaining top priorities, the Indian watch market is well-positioned for long-term, sustainable growth.

## BUSINESS OVERVIEW

KDDL Limited (referred to as 'KDDL' or 'The Company'), formerly known as Kamla Dials and Devices Limited, has been a hallmark of precision and craftsmanship since its establishment in 1981. Headquartered in the cultured city of Chandigarh, the Company stands as a distinguished name in the world of horology and precision engineering, with operations spanning both India and Switzerland.

Celebrated for its impeccable attention to detail, KDDL is a trusted manufacturer of premium watch components, including hands, dials, and sub-assemblies, each crafted to exacting standards. Beyond its horological mastery, the Company also offers ornamental packaging solutions, reflecting its design finesse and commitment to aesthetics. Additionally, KDDL

extends its expertise to high-precision stamped components and progressive tooling, serving the sophisticated requirements of the electrical, electronics, automotive, aerospace, and alternate energy industries.

Through its prestigious subsidiary, Ethos Limited, KDDL has established itself as the operator of India's largest organised luxury retail chain for Swiss timepieces, demonstrating its leadership not only in precision manufacturing but also in delivering exceptional consumer experiences. The Company's diversified revenue streams spanning watch components, precision engineering, and luxury retail serve as the foundation for its strong financial performance, driven by operational excellence and a firm strategic vision.

## OPERATIONAL OVERVIEW

Amid shifting global conditions, KDDL Limited has maintained a clear sense of direction and stability.

Despite the challenging environment in the global watch market, KDDL's steady performance in the Indian market has provided a solid foundation for the Company's continued growth and expansion. The Company's revenue increased by 6.6% year-on-year primarily driven by the strong contributions from its Eigen (Precision Engineering Business) and bracelet division, which have helped offset the challenges faced in the global watch component market. These segments have demonstrated resilience and growth potential, reinforcing KDDL's strategic focus on diversifying and strengthening its domestic operations amid ongoing international uncertainties.

A key highlight and significant milestone of the year was the launch

of KDDL's new bracelet division in October 2024, with the capacity to produce 75,000 high-end units annually, the division is set to serve the world's most prestigious Swiss watchmakers. Initial customer feedback has been highly encouraging, leading the Company to consider scaling up operations sooner than planned. The division is expected to play a key role in KDDL's future growth. The strong early traction highlights both the demand for premium components and KDDL's ability to meet international standards.

In August 2024, Favre Leuba, the iconic Swiss watch brand, was relaunched by Silvercity Brands, a subsidiary of KDDL. This relaunch aligns with the Company's broader strategic objective of strengthening its presence in the global horology ecosystem through selective and value-accretive investments. The



brand is now available globally, with exclusive distribution rights in India held by Ethos.

KDDL's precision engineering division, Eigen, continued to deliver exceptional performance in 2024-25, registering growth of 55% and achieving revenues of Rs. 146.8 Crore. Now, contributing nearly 38% to the Company's overall revenue, Eigen underscores the strength of KDDL's diversified business model and its ability to scale high-value segments.

Demand across sectors like electronics, automotive, aerospace,

alternate energy like EV, and energy storage systems continues to rise, positioning Eigen as a key growth driver within the KDDL portfolio. To capitalise on this momentum, the Company is expanding operations in an additional 30,000 sq. ft. facility in Bengaluru, scheduled for completion in 2025-26. These investments reflect KDDL's long-term vision and its focus on building strategic manufacturing capacity to meet future demand.

The ornamental packaging division has also made meaningful progress. In 2024-25, commercial operations

commenced at the Panchkula facility, developed with an investment of Rs. 6 Crores. With a monthly capacity of 1,00,000 premium boxes, this unit is designed to cater to both domestic and international markets, with a particular focus on watches and other luxury products. The primary focus of the new ornamental packaging unit is to cater to and fulfil the requirements of international brands for the Indian market.

## Revenue & Profitability (Standalone)

The Company reported operational net revenue of Rs. 383.6 Crores, reflecting a 6.6% year-on-year growth over the Rs. 360 Crores recorded in 2023-24. This performance was driven mainly by the growth of our precision engineering business. Whereas, the watch component business witnessed a decline in revenue due to weak international demand.

The precision engineering business witnessed favourable global market conditions. Focussed efforts to expand its international footprint, sharpen its competitive edge, and deepen client relationships translated into tangible market share gains.

KDDL's consistent emphasis on product quality, operational agility, and the ability to anticipate and respond to evolving customer needs remained central to its success.

KDDL delivered strong performance in 2024-25, maintaining its stability in its export turnover while recording a robust 22.5% growth in domestic revenue.

At the core of KDDL's operations, the watch component segment continued to be the primary revenue driver, despite a decline of 18.7% revenue during the year. Its share of total revenue dipped from 68.5% to 52.3%. While domestic revenue in this segment grew by 13.3%, export sales declined by 27.7%. Despite the decline in revenue from the exports market, the Company continued to maintain its market share with the major Swiss watch brands.

The Eigen precision engineering division sustained its momentum as a critical growth driver, achieving 55% growth in revenue, driven by a 67% increase in exports and 33% growth in domestic sales. The growth in revenue for the last 3 years is 51.6%, 25.4% and 55.3% respectively. The segment's export-to-domestic revenue mix improved highlighting a successful strategic shift. Growth was propelled by targeted expansion into high-potential sectors like

alternate energy comprising EVs, energy storage solutions, aerospace, automotive, and electricals, reflecting KDDL's adaptive, market-led approach and strong sectoral positioning.

The division's order book remains healthy, supported by an improving economic environment and a pickup in consumption. The Company's continued collaboration with strategic partners in emerging technologies is expected to further drive revenue and profitability.

In the ornamental packaging division, which remains focussed on the domestic market, revenue grew by 12.5%, following an 18.5% increase in the previous year. While exports in this vertical have yet to commence, the Company continues to focus on acquiring high-value, premium clients, both in India and globally.





Looking ahead, KDDL's strategic priorities remain clear:

Expand watch component products for the exports markets.

Accelerate growth in the precision engineering division, Eigen.

Establish and enhance presence in premium ornamental packaging.

An important element in new offerings will be the specialised high-value dials with semi-precious stones and enamel work through the recently incorporated subsidiary, Artisan Watch Products (AWP).

Strengthen marketing efforts.

Drive operational efficiency.



## Prospectus

Over the past year, KDDL has continued to build momentum in the domestic market. The Company works closely with key players, aligning its capacity and capabilities to meet demand, with a clear focus on productivity and timely delivery of premium watch components. Backed by strong relationships, efficient delivery models, and agility in operations, KDDL sees a solid opportunity to grow its market share in India.

On the export front, long-standing relationships, especially with partners in the Swiss watch industry, remain a major strength.

While there has been a slowdown in the Swiss watch industry, recovery is foreseen in the near future. The Company remains cautiously optimistic. It is moving up the value chain by strengthening design capabilities, shortening response times, and ensuring high product quality. The current manufacturing setup is equipped to handle complex export requirements, and planned upgrades should further improve competitiveness.

KDDL is also stepping up its brand visibility through better focussed

marketing and communication. Feedback from customers has been encouraging, and the Company plans to build on this momentum.

In Karnataka, the new steel bracelet facility is gradually scaling up. The Company expects to reach full capacity by 2026-27. This will broaden KDDL's product offering and help tap into new customer groups and markets.

In precision engineering, the Eigen division continues to grow its presence in high-complexity, value-added components. It is actively focusing on its chosen segments requiring high complexity, skills and capabilities along with high entry barriers. A growing number of RFQs from global clients points to increased interest, largely driven by the global shift to a 'China Plus One' sourcing model. KDDL's internal capabilities and reliability in quality, delivery along with strong engagement with customers give it a clear edge.

India's position as a global sourcing hub is strengthening, and KDDL is in a good spot to take advantage of that. With fast development cycles, competitive pricing, and

strong engineering capabilities, the Company is becoming a preferred partner for global manufacturers.

Internally, efforts to optimise costs, improve productivity, and use capacity more efficiently are paying off. These have helped in maintaining strong EBITDA and PBT margins. With continued investment, a growing product pipeline, and an expanding customer base, KDDL is well-positioned for sustainable growth and long-term success in both domestic and global markets.

KDDL Limited is strategically diversifying both its customer base and product offerings in response to global economic uncertainties and a slowdown in the traditional Swiss watch industry. The Company is expanding beyond Switzerland into resilient markets such as Japan, the USA, the UK, Italy, and the Middle East, while also exploring opportunities in emerging watchmaking hubs like Germany and Scandinavia. Simultaneously, KDDL is shifting focus towards the mid- to high-value product segment in its watch component business, targeting higher-margin growth and greater customer value.

## Key Financial Ratios

During the year of a challenging market environment, in its key business segment-watch components, KDDL delivered a creditable performance.

Operational EBITDA (earnings before interest, depreciation, taxes, and appropriations) declined significantly by 13%, decreasing from Rs. 1,031 Million to Rs. 897 Million. The operating EBITDA margin, adjusted for exceptional

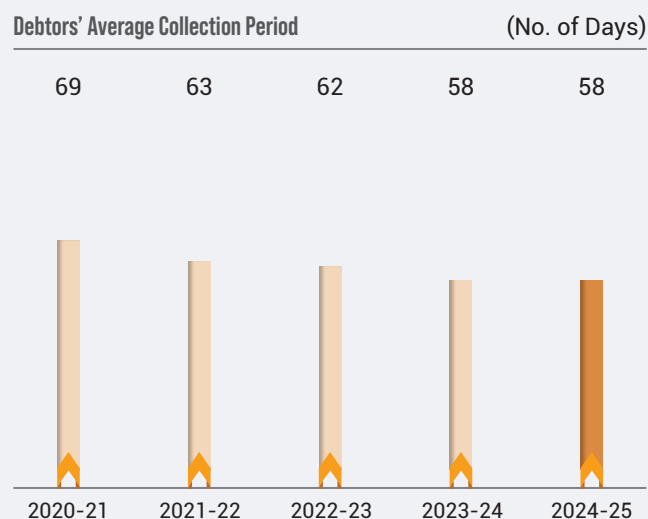
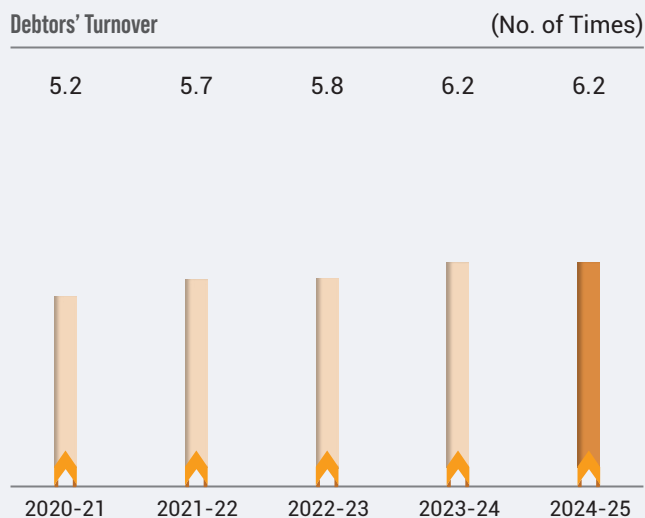
and one-off items such as gains from investment sales, dividend income, asset disposals, liabilities no longer required, CSR expenses, and donations, contracted from 28.7% to 23.4%.

This margin decline is mainly due to the decline in export revenue of the watch components business by 27.7% compared to the previous year and change in the revenue mix of watch components and precision

engineering business. The new bracelet and ornamental packaging units also came on stream, where front-loading of costs before revenues ramped up contributed to the reduction in margin. KDDL remains focussed on operational excellence and preparedness for long-term strategic execution and delivery while strengthening its solid financial foundation.

## Debtors' Turnover and Average Collection Period

Throughout the year, KDDL demonstrated and maintained its working capital efficiency with average debtors' turnover ratio of 6.2 times. Despite the increase in business and revenue from the high credit period market segment, the Company maintained an average collection period of 58 days. It is important to note that these metrics are influenced by the Company's revenue mix across various business segments, some of which naturally operate with longer credit cycles.

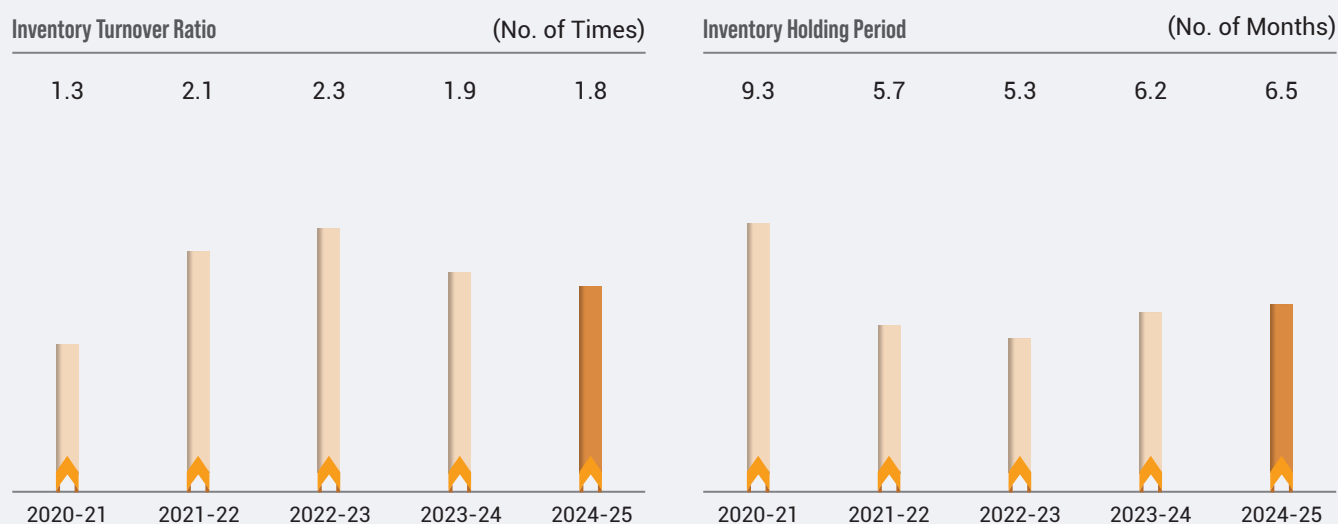


## Inventory Turnover and Average Inventory Holding Period

During the year, KDDL experienced a marginal decline in its inventory turnover ratio from 1.9 times to 1.8 times, accompanied by an increase in the average inventory holding period from 6.2 months to 6.5 months. This shift is primarily influenced by changes in the product mix and the evolving contribution of different business segments, as well as longer lead times required to source materials and components for newly acquired customer segments.

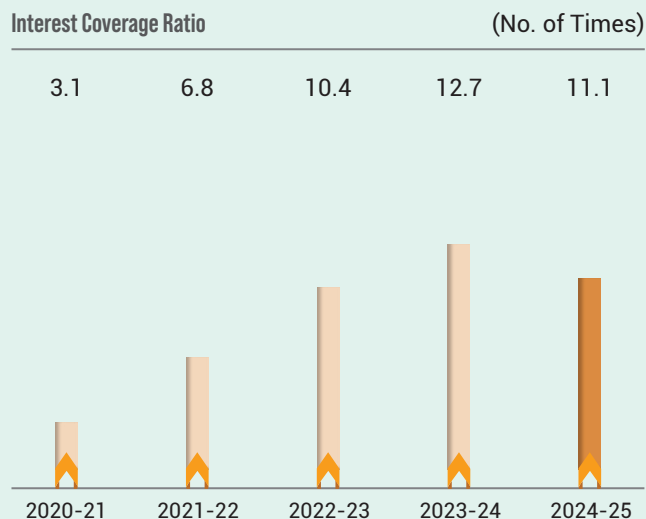
In response, the Company is proactively exploring alternative suppliers, optimising its sourcing strategies, and reassessing minimum order quantities (MOQs) to better manage inventory levels. Given the nature of KDDL's operations, characterised by smaller lot sizes and supplier-imposed MOQs, higher inventory holdings remain a structural necessity. Additionally, the diverse specifications and complexity of its product portfolio

require maintaining a wide range of materials to meet varied customer demands. Many of these critical materials are customer-specified and sourced from a limited pool of suppliers, often with extended lead times, further highlighting the importance of strategic inventory management to ensure business continuity and support future growth.



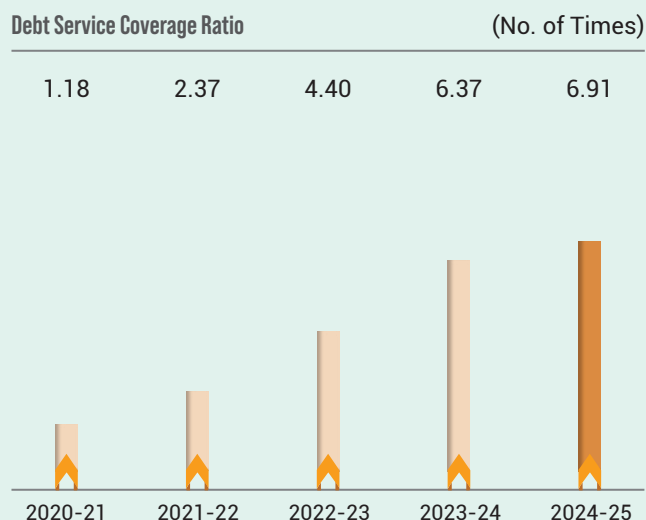
## Interest Coverage Ratio

KDDL's interest coverage ratio, based on normalised profit, declined marginally during the year, decreasing from 12.7 to 11.1. This decline was primarily due to lower profitability and additional borrowings for the continued expansion of the Company's operations. However, KDDL maintained a strong liquidity position, enabling the timely and efficient fulfilment of its financial obligations.



## Debt Service Coverage Ratio

KDDL's debt service coverage ratio (DSCR) remains strong and continues an upward trajectory, supported by limited reliance on external borrowings and healthy internal accruals. The Company's prudent financial management is further underscored by the increasing inflow of unsecured deposits from members and Directors, growing confidence in KDDL's credibility and performance. Secured borrowings from banks and financial institutions remain minimal. The DSCR trend for secured debt is outlined here:



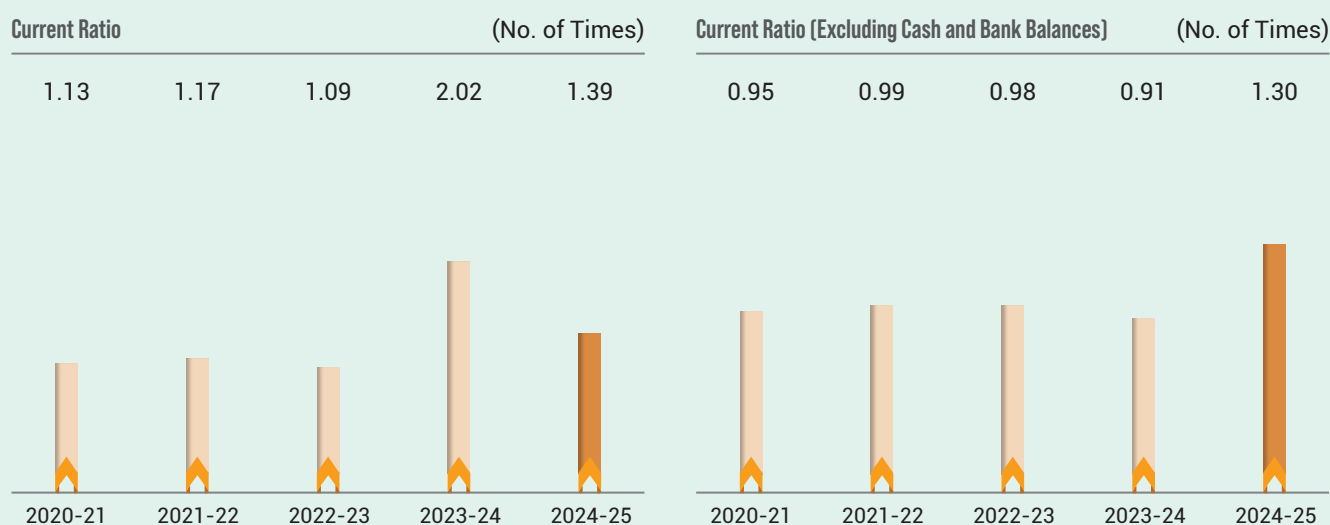


## Current Ratio

The Company's current ratio stood at 1.39 times in 2024-25, compared to 2.02 times in the previous year. This shift primarily reflects the utilisation of Rs. 141.97 Crores from the previous year's cash and bank balance—generated from the sale of investments—towards a strategic share buyback and increased investment in subsidiaries. When adjusted to exclude current maturities of non-current borrowings,

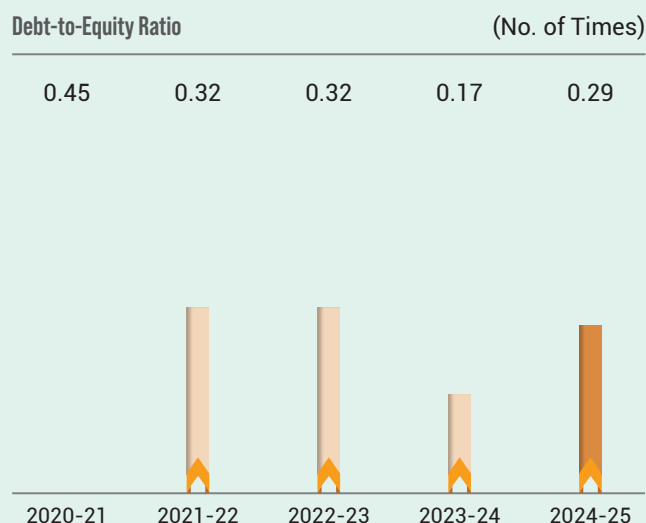
the ratio changes from 2.37 to 1.61 times. Excluding cash and bank balances, the ratio improved significantly from 0.91 to 1.30 times; and from 1.06 to 1.50 times when further adjusted for current maturities. This marked improvement is driven by increased inventory requirements and extended credit cycles in the precision engineering business. Overall, the Company's healthy current ratio highlights its

strong liquidity position and financial prudence, reaffirming KDDL's ability to sustain operational flexibility while supporting strategic growth initiatives.



## Debt-to-Equity Ratio

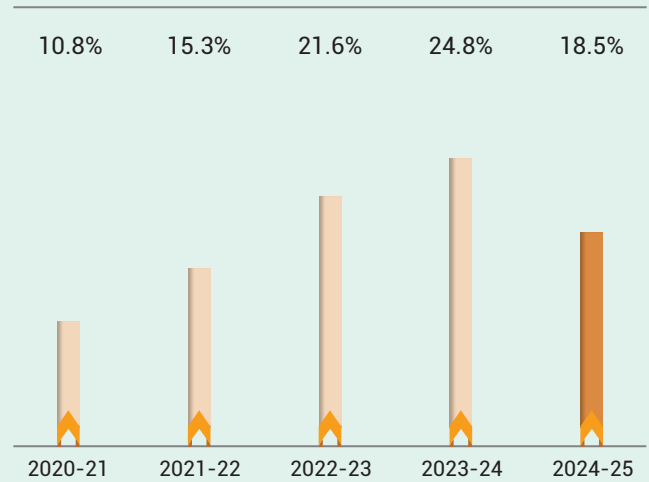
KDDL has been consciously strengthening its capital structure by reducing secured debt, including working capital borrowings. During the year, the Company rewarded its shareholders through buy-back of 2,37,837 equity shares with total cash outflow of Rs. 109.16 Crores. As a result, the secured debt-to-equity ratio increased from 0.06 to 0.15. Similarly, the total debt-to-equity ratio changed from 0.17 to 0.29. The strong debt to equity ratio reflects the Company's disciplined, strategic approach to managing leverage. Importantly, KDDL's debt-equity position remains well below industry benchmarks, highlighting its sound financial health and commitment to prudent financial management.



## Operating Profit Margin

KDDL reported an operating profit margin of 18.5% in 2024-25, compared to 24.8% in the previous year. This moderation was primarily driven by a shift in the revenue mix across business verticals and stable export revenues. Additionally, the commissioning of two new units in the bracelet and ornamental packaging businesses led to a temporary increase in overheads and depreciation. These investments, however, are expected to contribute meaningfully to revenue and profitability as production scales up in the coming quarters. While revenue growth for the year was modest, the Company remains well-positioned for stronger performance ahead. Gross margin remained robust, with only a marginal decline from 77% to 75%, reflecting continued operational efficiency despite expansion-related costs.

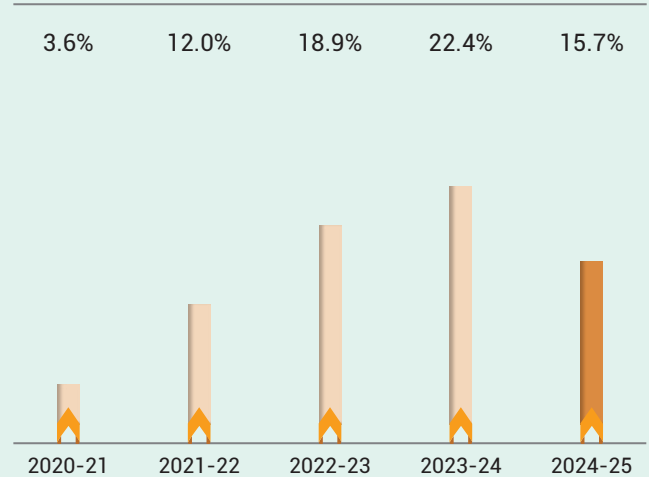
### Operating Profit Margin (%)



## Net Profit Margin

KDDL experienced a decline in its normalised net profit before tax, excluding exceptional non-operational items and CSR-related expenses.

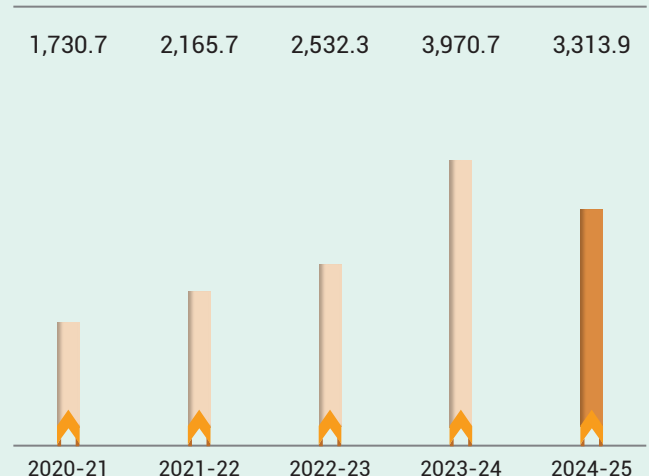
### Net Profit Margin (%)



## Shareholders' Funds

KDDL's reserves declined from Rs. 3,845 Million as of 31<sup>st</sup> March, 2024, to Rs. 3,190 Million as of 31<sup>st</sup> March, 2025. The retained earnings increased by Rs. 492 Million from profitability during the year. The overall shareholders' funds decrease due to shares buy-back worth Rs. 1,094 Million and dividend of Rs. 50 Million during the year.

### Shareholders' Funds (Rs. Million)



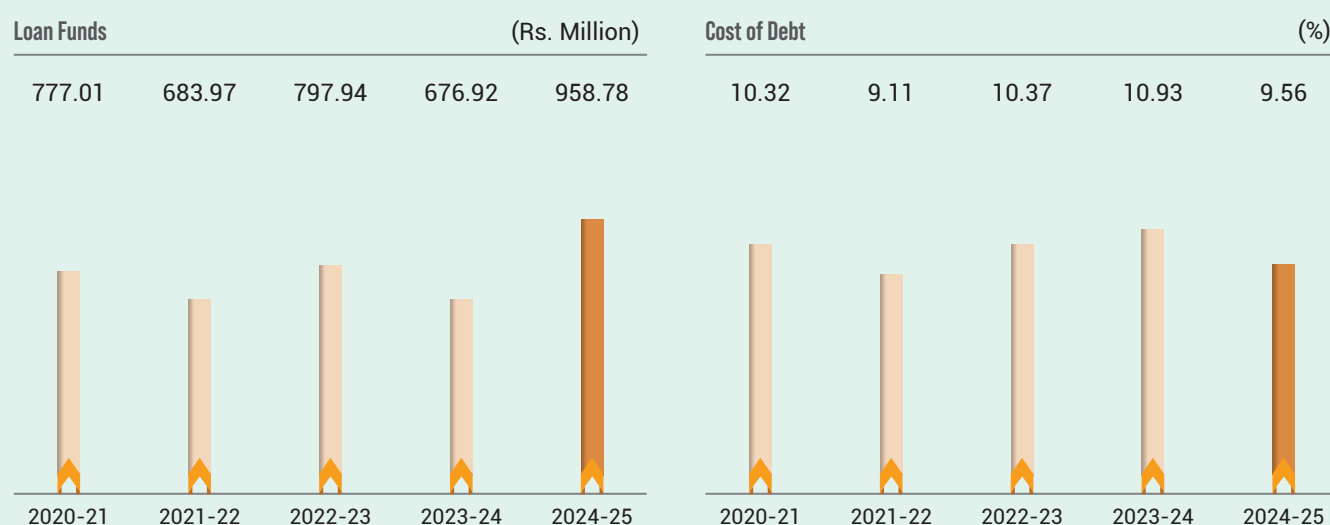
## Loan Funds and Cost of Debt

KDDL successfully reduced its interest cost as a percentage of Gross Operating Revenue, from 1.6% to 0.7% in 2024-25. This decline was largely the result of increased revenue, operational profitability, and a strong liquidity position. Despite the rise in market interest rates, the Company effectively minimised high-cost borrowings and strategically utilised more cost-effective

financing, particularly for its export activities.

The Company's strong liquidity and high profitability were key drivers of this shift. Additionally, KDDL's average cost of debt decreased from 10.9% to 9.6% year-on-year, supported by lower interest rates on additional borrowings and more cost-efficient export financing options.

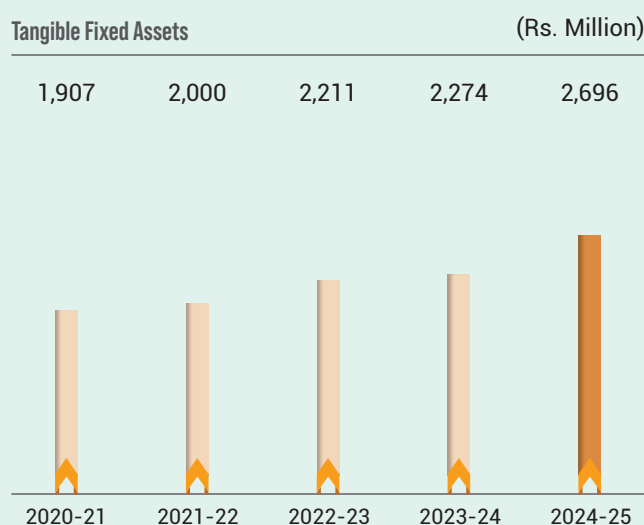
Looking forward, KDDL remains focused on exploring alternative financing solutions with the aim of further optimising borrowing costs, while maintaining a keen focus on managing its debt profile and strengthening its leverage position.



## Fixed Assets

In 2024-25, KDDL saw a rise in its gross fixed assets, including capital work in progress, which grew from Rs. 2,764 Million to Rs. 3,223 Million. Tangible fixed assets increased from Rs. 2,274 Million to Rs. 2,660 Million, while gross intangible assets experienced a slight rise from Rs. 47.4 Million to Rs. 50.7 Million. The Company also saw an increase in the right-of-use assets, which went up from Rs. 97.9 Million to Rs. 371.2 Million. Additionally, investment property was recorded at Rs. 17.7 Million, compared to Rs. 1.2 Million in the previous year.

A major shift occurred in capital work in progress, which increased from Rs. 343.3 Million to Rs. 123.2 Million. This decrease was primarily driven by KDDL's capitalisation of the ongoing capital expenditure for the bracelet unit.

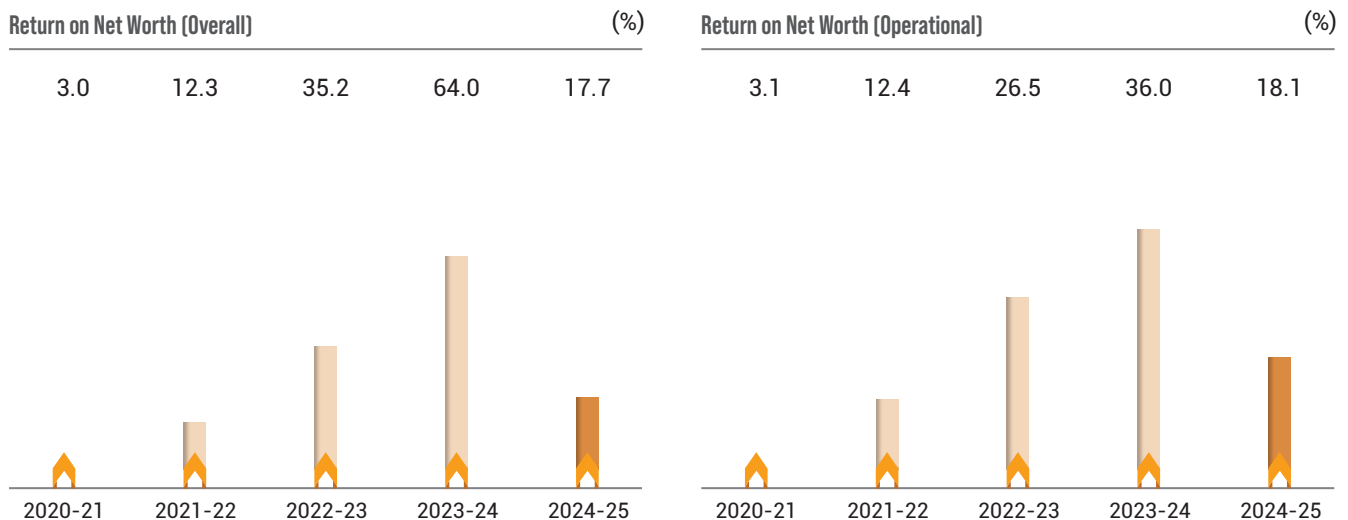


## Return on Net Worth

KDDL reported a return on net worth (RoNW) of 17.7% in 2024-25, compared to 64.0% in the previous year. However, the prior year's performance was significantly influenced by one-time gains from the sale of investments and substantial dividend inflows from

subsidiary companies, making a direct year-on-year comparison less meaningful. On a core operational basis, RoNW moderated from 36.0% to 18.1%, largely reflecting ongoing challenges in the watch components export business. Despite this, KDDL continues to

demonstrate resilience and strategic focus. Importantly, the Company's long-term RoNW trajectory remains positive, underpinned by consistent profitability, disciplined capital allocation, and a strong foundation for sustainable growth.



## ETHOS LIMITED [SUBSIDIARY COMPANY]

During 2024-25, Ethos Limited delivered robust financial performance, reflecting the strength of its operational strategies and continued demand across its luxury watch portfolio. The Company reported a standalone turnover of Rs. 1,27,651.39 Lacs, registering a strong year-on-year growth from Rs. 1,02,009.36 Lacs in 2023-24, supported by growth in both premium watch sales and increased contribution from the certified pre-owned (CPO) business.

Despite inflationary pressures and global uncertainties, the Company achieved an improvement in profit before tax (PBT) to Rs. 13,155.29 Lacs and profit after tax (PAT) to Rs. 9,825.41 Lacs, demonstrating

enhanced operating leverage. This improvement is attributable to optimised inventory management, cost discipline, and brand mix realignment towards higher-margin timepieces.

Operationally, the Company expanded its retail footprint to 73 stores across 26 cities, enhanced omnichannel capabilities, and signed new brand partnerships to strengthen its luxury and high-luxury portfolio. These operational initiatives directly contributed to increased footfalls, higher average transaction values, and improved customer retention.

Key performance indicators such as the Debtors Turnover Ratio improved from 91.77 to 73.99 days, reflecting

tighter receivables management. However, the Inventory Turnover Ratio showed a marginal decline from 1.79 to 1.70, due to planned stock build-up to support new store openings and premium brand launches.

Overall, the Company's financial performance mirrors its strong operational execution, underpinned by strategic expansion, customer-centricity, and supply chain agility. The management continues to remain focused on long-term value creation through profitable and sustainable growth.



## Risks, Threats & Concerns

KDDL recognises that risk is an inherent part of doing business, one that must be thoughtfully managed to safeguard performance and deliver on strategic goals. With this understanding, the Company has put in place a comprehensive and integrated risk management framework, focussed on protecting and enhancing shareholder value. This approach reflects KDDL's enduring commitment to sustainable growth and long-term success.

Central to this framework is the Risk Management Policy, which defines clear, structured processes

for identifying, assessing, reporting, and mitigating risks. Recognising the pace at which the business landscape evolves, the policy is regularly reviewed and refined. Oversight by the Board of Directors ensures it remains relevant, forward-looking, and effective in addressing emerging challenges.

The risk philosophy extends across the organisation, where KDDL actively nurtures a culture of risk awareness. Employees at all levels are encouraged to anticipate potential risks and respond proactively, an inclusive

approach that builds accountability and strengthens the Company's adaptability in a dynamic environment.

To support this culture, the risk management framework encompasses a broad spectrum of risks, covering both general business threats and those specific to the industry. This breadth allows KDDL to adopt a balanced, well-informed and comprehensive approach to risk mitigation.



### General Risk Management

KDDL adopts a proactive approach to managing general risks that emerge from macroeconomic trends, environmental conditions, and market volatility. The Company remains consistently alert to these uncertainties, upholding compliance, sustaining operations, and driving long-term performance.



### Macroeconomic & Regulatory Risks

KDDL keeps a watchful eye on the ever-changing macroeconomic and regulatory environment, paying particular attention to political transitions, legislative reforms, evolving tax structures, and amendments to commercial regulations. Through diligent monitoring of the regulatory landscape, the Company remains prepared to anticipate changes, adapt its operations promptly, and maintain full compliance and operational flexibility.



### Environmental & Disaster-Related Risks

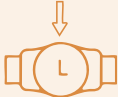




KDDL is mindful of the risks stemming from natural and man-made disasters such as earthquakes, storms, explosions, and civil disturbances. To mitigate these threats, the company implements top-tier industry standards in infrastructure design, with a strong emphasis on safety across all operations. Additionally, comprehensive insurance coverage serves as an added layer of protection, safeguarding the Company against unforeseen losses.



### Market Risks

KDDL faces market-linked risks, including GDP fluctuations, economic volatility in domestic and global markets, and sudden shifts in consumer behaviour. To address these uncertainties, the Company has established an agile, cost-effective operational model that allows for swift adjustments in line with market dynamics, ensuring business continuity and resilience.

Through a responsive and comprehensive risk management framework, the Company affirms its commitment to long-term value creation, operational sustainability, and integrating a risk-conscious culture throughout the organisation.

Risk Category	Description of Risk	Mitigation Strategy
<b>Decline in Overall Demand for Watches</b> 	Economic factors and evolving consumer preferences have led to a decline in overall demand, with the luxury watch segment particularly affected.	KDDL is positioning itself for long-term growth by leveraging competitive pricing to attract a broader base of watch enthusiasts. Complementing this approach, the Company continues to invest in strategic innovation and expand its product collections. By aligning offerings with evolving luxury consumer preferences, KDDL strengthens its market relevance and builds resilience against industry shifts.
<b>Overdependence on Few Companies</b> 	A significant part of KDDL's business depends on a select group of key partners, both in India and internationally, with a significant concentration in Switzerland. This reliance underscores the importance of maintaining strong, stable relationships with these strategic partners to support ongoing business performance.	KDDL is actively working to diversify its customer and partner base to lower dependency on a limited group. As part of this effort, the Company is exploring new markets and deepening existing client relationships, aiming to drive sustained growth while effectively reducing concentration risk.
<b>Overdependence on One Business Segment</b> 	A significant share of the Company's revenue continues to come from the watch segment. While this reflects strength in a core business, it also introduces a concentration risk.	To mitigate this, KDDL is scaling its precision engineering components business, while actively exploring other manufacturing opportunities. This strategic diversification aims to create a more balanced and resilient revenue base.
<b>Foreign Exchange Risks</b> 	Given that 66% of KDDL's revenue comes from exports, the Company faces a degree of exposure to currency fluctuations, especially in the Swiss Franc and US Dollars. These shifts in exchange rates can have a tangible impact on profitability, highlighting the importance of strategic management.	KDDL manages foreign exchange risk through a combination of hedging strategies, balancing both import and export transactions in the same currencies, and utilising natural hedges. This disciplined strategy ensures earnings are protected and financial health remains stable.
<b>Personnel Risks</b> 	The fiercely competitive job market poses a considerable challenge in retaining skilled talent. This is particularly true within the manufacturing and retail industries, where the demand for capable professionals continues to rise.	With a focus on both recruitment and retention, the Company has implemented comprehensive HR policies. These are complemented by regular reviews of its compensation structure, ensuring the Company remains competitive and helps in retaining the talent essential for its continued growth.



## HUMAN RESOURCES MANAGEMENT

KDDL considers its people a core asset and places human capital at the centre of its long-term strategy. The Company follows a structured, strategic approach to Human Resources Management, focussing on attracting, retaining, and developing talent. To support continuous learning and growth,

the Company implements comprehensive development initiatives, including training programmes, succession planning, job rotations, and workshops. Engagement with external consultants ensures alignment with industry best practices. Proactive hiring across key functions and emerging domains strengthens future readiness, while internal talent is identified through tailored development plans. KDDL fosters

a collaborative and inclusive work environment, motivating employees through structured recognition and reward programmes that celebrate both individual and team achievements. As of the year under review, the total workforce, comprising regular and contractual employees, stood at 2,386, underscoring its commitment to building a dynamic and empowered organisation.



## INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

KDDL prioritises maintaining a strong internal control framework, underpinned by clearly defined systems, policies, and procedures that span all key operational areas. These controls are integral to ensuring the accuracy and reliability of financial reporting, compliance with applicable laws and regulations, protection of assets, and alignment with both strategic and operational goals.

At the foundation of this framework are well-documented Standard

Operating Procedures (SOPs), which are regularly reviewed and updated to reflect evolving business needs and market conditions. These SOPs, along with broader governance protocols, enable KDDL to maintain full compliance with SEBI Listing Regulations.

The Company's internal audit function operates independently, guided by a risk-based annual audit plan approved by the Audit Committee. This ensures continuous monitoring of internal controls and adherence to SOPs. The internal auditor provides objective assurance to both the Audit Committee and the Board regarding the effectiveness of KDDL's risk management, control,

and governance systems. Regular interactions between the Audit Committee, statutory auditors, and internal auditors ensure comprehensive oversight of financial statements, accounting practices, and internal control mechanisms.

In parallel, senior management actively evaluates internal systems, recommends enhancements, and oversees the implementation of corrective actions where necessary. This process is supported by periodic performance reviews across business segments, ensuring continuous improvement and alignment with the Company's long-term objectives.

## CAUTIONARY STATEMENT

Certain statements made in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations, estimates, and others may constitute 'forward-

looking' statements within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied. Principal factors that could make significant difference to the Company's operations and actual results include among others,

Government regulations, statutes, tax laws, economic developments within India and countries in which the Company conducts businesses, litigations, and other allied factors.

## NOTICE

### KDDL LIMITED

(CIN- L33302HP1981PLC008123)

Registered Office: Plot No 3, Sector-III, Parwanoo, Distt. Solan, (H. P)-173220

Email: investor.complaints@kddl.com; Website: www.kddl.com

Phone: 0172-2548223/24 & 27, Fax: 0172-2548302

**NOTICE** is hereby given that 45<sup>th</sup> Annual General Meeting (AGM) of KDDL Limited will be held on Monday, 15<sup>th</sup> September, 2025 at 03:00 p.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

The proceedings of the Annual General Meeting ("AGM") shall be deemed to be conducted at the Registered Office of the Company at Plot No 3, Sector-III, Parwanoo, District salon, (H.P)-173220 which shall be deemed to be the venue of the AGM.

#### ORDINARY BUSINESS:

- 1. To receive, consider and adopt the Audited Financial Statements of the Company (Standalone as well as consolidated) for the financial year ended 31<sup>st</sup> March, 2025 the reports of the Board of Directors and Auditors thereon.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** Audited Financial Statements of the Company (Standalone as well as Consolidated) for the financial year ended 31<sup>st</sup> March, 2025 (including the Balance Sheet as at 31<sup>st</sup> March, 2025 and Statement of Profit and Loss and the Cash Flow Statement for the year ended 31<sup>st</sup> March, 2025) along with the Report of the Board and the Auditors' Report thereon, as circulated to the Members and placed before the Meeting, be and are hereby, received, considered and adopted."

- 2. To declare final dividend of Rs. 5 per equity share (50%) for the financial year ended 31<sup>st</sup> March, 2025.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** payment of Final Dividend of Rs. 5 (Rs. Five only) per equity share (50%) of Rs. 10/- each, absorbing Rs. 6,14,96,400/- (Rs. Six Crores Fourteen Lacs Ninety Six Thousands Four Hundred only) out of current year's profit be and is hereby declared and the same be paid as recommended by Board of Directors, to those Equity shareholders whose names appear on the Register of Members of the Company as on Tuesday, 9<sup>th</sup> September, 2025 being book closure date."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company and/or Mr. Sanjeev Kumar Masown, Whole Time Director-cum- Chief Financial Officer or Mr. Brahm Prakash Kumar, Company Secretary be and are hereby severally

authorized to do all such acts, deeds, things and take all such steps as may be considered necessary, proper or expedient to give effect to this Resolution."

- 3. To re-appoint Mrs. Anuradha Saboo (DIN: 01812641) who retires by rotation at this Annual General Meeting and, being eligible, offers herself for re-appointment.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** Mrs. Anuradha Saboo (DIN: 01812641), Director of the Company, who retires by rotation in terms of provisions of Section 152 of the Companies Act, 2013 or other applicable provisions, if any, read with Articles of Association of the Company and being eligible offers herself for reappointment, be and is hereby, reappointed as Director of the Company, liable to retire by rotation."

#### SPECIAL BUSINESS:

- 4. Approval for Incentive Payout to Mr. Yashovardhan Saboo (DIN – 00012158), Chairman and Managing Director of the Company for the financial year 2024-25.**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 197 and all other applicable provisions of the Companies Act, 2013 and rules framed thereunder read with Schedule V of the Companies Act, 2013 ("the Act"), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), all other applicable laws including any statutory amendment(s), modification(s), variation(s) or re-enactment(s) thereof, for the time being in force), pursuant to the recommendations of the Nomination & Remuneration Committee, Audit Committee and Board of Directors and subject to all necessary statutory approvals/permissions, if any, and such conditions and modifications as may be prescribed by the approving/ consenting authority(ies) while granting such approvals/ permissions, consent of the Members of the Company be and is hereby accorded for one time Incentive Payout of Rs. 43.12 Lacs (Rs. Forty Three Lacs and Twelve Thousands only) which is over and above the total amount of remuneration as approved by the Shareholders of the Company, to Mr. Yashovardhan Saboo (DIN: 00012158),



## NOTICE (Contd.)

Chairman and Managing Director of the Company for the financial year ended 31<sup>st</sup> March, 2025, upon such terms and conditions which may be decided, altered, modified by the Board of Directors (including its committee thereof) of the Company in accordance with all applicable provisions of laws and in the best interest of the Company.”

“**RESOLVED FURTHER THAT** the Board of Directors (including its committee thereof) of the Company be and is hereby authorised to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things and take all such steps (including filing of necessary forms and submitting intimation with all concerned regulatory authorities) as may be necessary, proper or expedient in this regard.”

### 5. Approval for Incentive Payout to Mr. Sanjeev Kumar Masown (DIN – 03542390), Whole time Director cum Chief Financial Officer for the financial year 2024-25.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 197 and all other applicable provisions of the Companies Act, 2013 and rules framed thereunder read with Schedule V of the Companies Act, 2013 (“the Act”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), all other applicable laws (including any statutory amendment(s), modification(s), variation(s) or re-enactment(s) thereof, for the time being in force), pursuant to the recommendations of the Nomination & Remuneration Committee, Audit Committee and Board of Directors and subject to all necessary statutory approvals/permissions, if any, and such conditions and modifications as may be prescribed by the approving/consenting authority(ies) while granting such approvals/permissions, consent of the Members of the Company be and is hereby accorded for one time Incentive Payout of Rs. 33.06 Lacs (Rs. Thirty Three Lacs and Six Thousands only) which is over and above the total amount of remuneration as approved by the Shareholders of the Company, to Mr. Sanjeev Kumar Masown (DIN – 03542390), Whole time Director cum Chief Financial Officer for the financial year ended 31<sup>st</sup> March, 2025, upon such terms and conditions which may be decided, altered, modified by the Board of Directors (including its committee thereof) of the Company in accordance with all applicable provisions of laws and in the best interest of the Company.”

“**RESOLVED FURTHER THAT** the Board of Directors (including its committee thereof) of the Company be and is hereby authorised to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts,

deeds, matters and things and take all such steps (including filing of necessary forms and submitting intimation with all concerned regulatory authorities) as may be necessary, proper or expedient in this regard.”

### 6. Authorisation for borrowings by way of Unsecured Fixed Deposits from the Shareholders of the Company.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** in accordance with the provisions of Section 73 and other applicable provisions, if any, of the Companies Act, 2013 (“the act”) and the rules made there under (including any statutory modification (s) thereof for the time being in force), approval of the Shareholders of the Company, be and is hereby accorded to the Board of Directors of the Company to borrow money(s) from its shareholders by way of Unsecured Fixed Deposits subject to compliance of all the conditions and maximum limits as stated under Section 73 of the act or any other applicable provisions of the act read with rules made thereunder.”

“**RESOLVED FURTHER THAT** the Deposits accepted by the Company, may be cumulative or non-cumulative as per the scheme framed by the Company and carrying such rates of interest specified in the Circular to be specifically approved by the Board of Directors of the Company.”

“**RESOLVED FURTHER THAT** the Board of Directors, be and is hereby, specifically authorised to do all such acts, deeds and things as may be necessary to give effect to the above resolution and to settle any question, difficulty or doubt that may arise in this regard.”

### 7. Ratification of Remuneration to Cost Auditor for the financial year 2025-26.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) the remuneration payable to M/s Khushwinder Kumar & Co., Cost Accountants (FRN: 100123) appointed by the Board of Directors of the Company, to conduct the audit of cost records pertaining to electricals or electronic products and tools of the Company for the financial year 2025-26 amounting up to Rs. 1 Lac (Rs. One Lac only) plus GST & out of pocket expenses incurred in connection with the audit, be and is hereby ratified and confirmed.”

**NOTICE (Contd.)**

**“RESOLVED FURTHER THAT** the Board of Directors (including its committee thereof) of the Company be and is hereby authorised to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things and take all such steps (including filing of necessary forms and submitting intimation with all concerned regulatory authorities) as may be necessary, proper or expedient to give effect to this resolution.”

**8. Appointment of Secretarial Auditors**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 204 and all other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 (including any statutory modification or re-enactment thereof for the time being in force) and Regulation 24A of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as ‘Listing Regulations’), as amended from time to time, M/s. A. Arora & Co., Practicing Company Secretaries, a proprietary firm with Mr. Ajay K. Arora (ICSI Membership No.: FCS 2191 and CP No.: 993) being its proprietor be and is hereby appointed as the Secretarial Auditors of the Company for a term of five consecutive years, i.e. from the conclusion of this 45<sup>th</sup> Annual General Meeting

(‘AGM’) of the Company till the conclusion of the 50<sup>th</sup> AGM to be held in the year 2030, to carry out the Secretarial Audit from financial year 2025-2026 to financial year 2029-2030, at such remuneration to be determined by the Board of Directors of the Company (including its Committee thereof)”.

**“RESOLVED FURTHER THAT** the Board of Directors (including its committee thereof) of the Company be and is hereby authorized to settle any question, difficulty or doubt that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things and take all such steps (including filing of necessary forms and submitting intimation with all concerned regulatory authorities) as may be necessary, proper or expedient in this regard.”

**For and on behalf of the Board of Directors**

Date: 14<sup>th</sup> August, 2025  
Place: Gurugram

**Brahm Prakash Kumar**  
**Company Secretary**  
Membership no.: F7519

**KDDL Limited**

CIN – L33302HP1981PLC008123  
Registered office – Plot no. 3, Sector III,  
Parwanoo-173 220, Himachal Pradesh  
Corporate office – S.C.O. 88-89, Sector 8 C  
Madhya Marg, Chandigarh 160 007  
Website – [www.kddl.com](http://www.kddl.com)  
E-mail – [investor.complaints@kddl.com](mailto:investor.complaints@kddl.com)

## NOTICE (Contd.)

### NOTES:

1. The Ministry of Corporate Affairs vide its General Circular No(s) 14/2020 dated 8 April 2020, 17/2020 dated 13 April 2020, 20/2020 dated 5 May 2020 and 09/2024 dated 19 September 2024 ('MCA Circulars'), has allowed the Companies to conduct their Annual General Meetings through VC/OAVM upto 30 September 2025.

Pursuant to provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) read with the MCA Circulars, 45<sup>th</sup> AGM of the Company is being conducted through VC/OAVM without the physical presence of the Members at a common venue.

The Registered Office of the Company shall be deemed venue of 45<sup>th</sup> AGM of the Company.

2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item Nos. 4 to 8 of the Notice, is annexed hereto.
3. In accordance with the MCA Circulars and Regulation 44 of the SEBI Listing Regulations, 2015, since the Meeting is being held through VC/OAVM, there is no requirement of appointment of proxies under Section 105 of the Act. Hence, Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
4. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company or CDSL / NSDL ("Depositories"). Members may note that the Notice and Annual Report 2024-25 will also be available on the Company's website [www.kddl.com](http://www.kddl.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively, and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
5. Pursuant to MCA Circulars and SEBI Circular SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 3 October 2024 ('SEBI Circular'), the Notice of the 45<sup>th</sup> AGM and the Annual Report for FY 2024-25 are being sent via Email to the Members whose Email Ids are registered with the Company or Depository Participants (DPs).

In compliance with Regulation 36(1)(b) of the SEBI Listing Regulations, 2015, the Company is also dispatching a letter containing the web-link and exact path to access the full Annual Report available on the Company's website to those Members who have not registered their Email Ids.

Members who wish to obtain a physical copy of the Notice of the 45<sup>th</sup> AGM and the Annual Report for FY 2024-25 may

send a request by mentioning their Folio No./DP Id and Client Id to the Company at [investor.complaints@kddl.com](mailto:investor.complaints@kddl.com).

6. The Register of Members and the Share Transfer books of the Company will remain closed from Tuesday, 9<sup>th</sup> September, 2025 to Monday, 15<sup>th</sup> September, 2025 (both days inclusive) for the purpose of 45<sup>th</sup> Annual General Meeting (AGM) of the Company and payment of dividend.
7. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and are desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company/RTA.
8. In accordance with Regulation 40 of the SEBI (LODR) Regulations, 2015, as amended, all requests for transfer of securities shall be processed only if the securities are held in dematerialized form. Therefore, Members holding shares of the Company in physical form are requested to kindly get their shares dematerialized in case they wish to transfer their shares since physical transfer/issuance of equity shares has been disallowed by SEBI. Members can contact Company's RTA at [investor@masserv.com](mailto:investor@masserv.com) for assistance in this regard. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which can be downloaded from the website of RTA of the Company at <https://www.masserv.com/downloads.asp>.
9. In accordance with the provisions of Section 124 of the Companies Act, 2013 and rules made thereunder, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. In terms of the provisions of Investor Education and Protection Fund

## NOTICE (Contd.)

Authority (Accounting, Audit, Transfer & Refund) Rules, 2016, the Company has uploaded the details of unpaid and unclaimed amount lying with the Company on its website.

10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc for shares held in electronic form to their Depository Participants (DPs) and for shares held in physical form to the Company/ Registrar and Transfer Agents (RTA) in prescribed Form ISR-1, Form ISR-2 and Form ISR-3 (as applicable) the format of which can be downloaded from the website of RTA of the Company at <https://www.masserv.com/downloads.asp>.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ RTA.
12. As required under regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant details of Director retiring by rotation and seeking re-appointment at the ensuing AGM are furnished as annexure A to this notice of AGM.
13. As per the provisions of Section 72 of the Companies Act, 2013, the facility for making nominations is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to cancel the earlier nomination and record fresh nomination, he/ she may submit the same in Form ISR-3 or Form SH-14. The said form can be downloaded from the website of RTA of the Company at <https://www.masserv.com/downloads.asp>.

Members are requested to submit the said form to their Depository Participant in case the shares are held in dematerialized form and to the Company's RTA at [investor@masserv.com](mailto:investor@masserv.com) in case the shares are held in physical form.

14. Dividend income on equity shares is taxable in the hands of shareholders, and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates in accordance with the provisions of the Income Tax Act, 1961 ("IT Act") read with amendments thereof. The shareholders are requested to update their PAN with the

Company/Registrar & Transfer Agents viz. M/s **MAS Services Limited** ("RTA") (in case of shares held in physical form) and with the Depositories/Depository Participants ("DPs") (in case of shares held in demat form).

15. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
16. The Register of Directors and Key Managerial Personnel and their shareholding, the Register of Contracts or Arrangements in which the Directors are interested and all other documents referred to in the accompanying Notice will be available for inspection by the Members. Members seeking to inspect such documents physically can inspect at the registered office of the Company on all working days, except Saturdays and Sundays, between 11.00 a.m. to 1.00 p.m. up to the last date of remote e-voting. The Members are requested to send a request through e-mail on [investor.complaints@kddl.com](mailto:investor.complaints@kddl.com) with folio no. or DP/ Client Id at least three working days in advance.
17. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in).
18. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID/ folio no. mobile number along with their queries at [investor.complaints@kddl.com](mailto:investor.complaints@kddl.com) at least 7 working days before the date of AGM. Those Members who have registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
19. **Remote E-voting:**
  - (a) In compliance with the provisions of Sections 108 and 110 of the Act, read with the Companies (Management and Administration) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and



## NOTICE (Contd.)

Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Company is pleased to offer E-voting facility to its Members, to enable them to cast their votes electronically. The Company has appointed National Securities Depository Limited (NSDL) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com) for facilitating e-voting to enable the members to cast their votes electronically (hereinafter referred to as the "Remote e-voting").

- (b) The voting period begins on Thursday, 11<sup>th</sup> September, 2025 at 09.00 A.M (IST) and ends on Sunday, 14<sup>th</sup> September, 2025 at 5:00 p.m. (IST). During this period,

members of the Company holding equity shares either in physical form or in dematerialized form, as on the cut-off date i.e., Monday, 8<sup>th</sup> September, 2025 (cut-off date) may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.

- (c) The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on Monday, 8<sup>th</sup> September, 2025 being the cut-off date fixed for the purpose.
- (d) The procedure for remote e-voting is as under:

### How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

#### Step 1: Access to NSDL e-Voting system



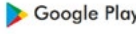

- A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies, Individual Shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>For OTP based login you can click on <a href="https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp">https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp</a>. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the <b>"Beneficial Owner"</b> icon under <b>"Login"</b> which is available under <b>'IDeAS'</b> section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on <b>"Access to e-Voting"</b> under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select <b>"Register Online for IDeAS Portal"</b> or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> </ol>

## NOTICE (Contd.)

Type of shareholders	Login Method
	<ol style="list-style-type: none"> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>Shareholders/Members can also download NSDL Mobile App "<b>NSDL Speede</b>" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p><b>NSDL Mobile App is available on</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">    </div> <div style="text-align: center;">    </div> </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

## NOTICE (Contd.)

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.com">evoting@nsdl.com</a> or call at 022- 4886 7000.
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800-21-09911.

**B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.****How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

## NOTICE (Contd.)

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

### **Step 2: Cast your vote electronically on NSDL e-Voting system.**

#### **How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

#### **General Guidelines for shareholders**

1. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
2. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).



## NOTICE (Contd.)

com or call on: 022- 4886 7000 or send a request to Mr. Amit Vishal, Deputy Vice President at [evoting@nsdl.com](mailto:evoting@nsdl.com)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [investor@masserv.com](mailto:investor@masserv.com) or [investor.complaints@kddl.com](mailto:investor.complaints@kddl.com)
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [investor@masserv.com](mailto:investor@masserv.com) or [investor.complaints@kddl.com](mailto:investor.complaints@kddl.com) If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e.Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not

barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH**

**VC/OAVM ARE AS UNDER:**

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at [investor.complaints@kddl.com](mailto:investor.complaints@kddl.com) . The same will be replied by the company suitably.

## NOTICE (Contd.)

### EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

#### ITEM NO. 4 & 5

The Nomination & Remuneration Committee (NRC) of the Board of Directors of the Company at its meeting held on 28<sup>th</sup> July, 2022 had approved a policy and guidelines for the additional incentive payout for the distribution of excess operational profit compared to the financial budget and previous year actual profit with all eligible employees (above manager level) including Executive Directors of the Company. The main spirit and objective of the policy is to share fixed percentage of the excess profits to reward and motivate the employees for their contribution, efforts and hard work leading to higher and better performance.

As per the policy approved by NRC, this additional incentive is to be paid to all eligible employees in managerial and leadership grades in proportion to their variable incentive linked to respective business segments and company actual financial performance vis-a-vis budget and previous financial year.

Further, the Shareholders vide Special Resolution passed through Postal Ballot dated 15<sup>th</sup> June, 2023 re-appointed Mr. Yashovardhan Saboo and approved his remuneration for a period of three financial years w.e.f 1<sup>st</sup> April 2023 till 31<sup>st</sup> March 2026. Also, the Shareholders vide Special Resolution passed through Postal Ballot dated 12<sup>th</sup> August 2024 re-appointed Mr. Sanjeev Kumar Masown as Whole time Director (with functional designation of Chief Financial Officer) of the Company and approved his remuneration for a period of three financial years w.e.f 31<sup>st</sup> May 2024 till 30<sup>th</sup> May 2027.

As per these guidelines, the excess operational profit is already distributed to all eligible employees (except Executive Directors) covered under the scheme as one-time payment. However, the additional incentive payout to Mr. Yashovardhan Saboo and Mr. Sanjeev Kumar Masown is still not paid due to the maximum limit of remuneration already approved by the Shareholders.

During the previous financial year ended 31<sup>st</sup> March 2025, Company's performance in some business segments was significantly higher (by Rs. 19.88 Crores) compared to the actual performance of 2023-24 and also higher than the financials budgets (by Rs. 22.87 Crores) for 2024-25.

Accordingly, the Board of Directors of the Company, pursuant to the recommendations of Nomination and Remuneration Committee

(NRC) and Audit Committee, at its meeting held on 19<sup>th</sup> May, 2025 and subject to the approval of Shareholders, recommended one time Incentive Payout for Mr. Yashovardhan Saboo and Mr. Sanjeev Kumar Masown which is applicable to all managerial staff.

The proposed incentive payout (as detailed above) for the year ended 31<sup>st</sup> March 2025, duly recommended by the Board of Directors pursuant to the recommendations of Nomination and Remuneration Committee and Audit Committee, at its meeting held on 19<sup>th</sup> May 2025 is over and above the limits already approved by the Shareholders, payment of which requires Shareholders' approval and the same is being sought now in ensuing Annual General Meeting of the Company by way of Special Resolution, in accordance with the provisions of Section 197, Schedule V and all other applicable provisions of the Companies Act, 2013 and Listing Regulations.

Details of proposed incentive amount for the year ended 31<sup>st</sup>, 2025 are given below:

Sr. No	Name & Designation	Incentive Amount for the financial year ended 31 <sup>st</sup> March 2025 (Rs. in Lacs) for approval of the Shareholders
1	Mr. Yashovardhan Saboo – Chairman & Managing Director	43.12
2	Mr. Sanjeev Kumar Masown – Whole time Director cum CFO	33.06

The following additional information as required under Part II Section II of Schedule V of the Companies Act, 2013 is being furnished hereunder:

#### I. GENERAL INFORMATION:

##### 1) Nature of Industry:

The Company is in the business of manufacturing of watch components (watch dials and watch hands), precision engineering components and press tools.

##### 2) Date or expected date of commencement of commercial production:

6<sup>th</sup> February 1981

##### 3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable

## NOTICE (Contd.)

## 4) Financial performance based on given indicators:

Amount (Rs. in Lacs)

Particular	Standalone		
	2024-25	2023-24	2022-23
Total Income	38,363.45	55,369.61	36,361.02
Profit/ (Loss) before tax	5,879.85	25,401.03	8,923.79
Profit/(Loss) after tax	4,923.47	22,004.96	6,923.13

## 5) Foreign investments or Collaborators, if any

The Company does not have any foreign collaborations as on the date of this Notice. As on 31, 2025, the Company has investments in the following overseas hundred percent (100%) subsidiaries as detailed below:

Sr. No.	Name of the Company	Amount (Rs. in Lacs)
1	Pylania SA, Switzerland	2,259.40
2	Kamla International Holdings SA, Switzerland	1,944.36

## II. INFORMATION ABOUT THE APPOINTEE:

(1) Background details	<p><b>(a) Mr. Yashovardhan Saboo:</b> He read Economics (Hons) at St. Stephen's Delhi University followed by the MBA program at IIM Ahmedabad. He founded Kamla Dials and Devices Limited (now KDDL LIMITED) in 1983 and has served as Managing Director of the Company since then. In 1993, he set up a specialist paint business, SBL Coatings. In 2003, he set up ETHOS LIMITED. In 2006, he set up the Precision Stamping, EIGEN ENGINEERING, at Bangalore.</p> <p>He was the Founder and President of AIFHI (All India Federation of Horological Industries). He has been in leadership roles in PHDCCI and CII. He served as President of Swiss India Chambers of Commerce (North) and is a member of the GPHG (Grand Prix d'Horlogerie de Genève) Academy. He has served as a member of the jury for the GPHG Awards held at Geneva, Switzerland.</p> <p><b>(b) Mr. Sanjeev Kumar Masown:</b> Mr. Masown has been our Executive Director since 2016 in addition to his role as Chief Financial Officer (CFO) since 2011. He is a qualified CMA, a Fellow of the Institute of Cost Accountants of India, and holds a post graduate degree in commerce along with a Six Sigma Green Belt certification.</p>
------------------------	--

**NOTICE (Contd.)**

Past remuneration (last 3 financial years)	<p><b>Mr. Yashovardhan Saboo:</b></p> <p>Details of remuneration drawn from KDDL Limited:</p> <p>2024-25: Rs. 518.82 Lacs</p> <p>2023-24: Rs. 609.97 Lacs</p> <p>2022-23: Rs. 320.88* Lacs</p> <p>*Excluding one time value creation award of Rs. 1,900 Lacs</p> <p>Details of remuneration drawn from Ethos Limited:</p> <p>2024-25: Rs. 250.69 Lacs</p> <p>2023-24: Rs. 192.84 Lacs</p> <p>2022-23: Rs. 5.33 Lacs</p> <hr/> <p><b>Mr. Sanjeev Kumar Masown:</b></p> <p>Details of remuneration drawn from KDDL Limited:</p> <p>2024-25: Rs. 301.56 Lacs</p> <p>2023-24: Rs. 263.86 Lacs</p> <p>2022-23: Rs. 154.28 Lacs</p>
(3) Recognition or awards	<p>Mr. Yashovardhan Saboo:</p> <ul style="list-style-type: none"> <li>Chairman- CII Chandigarh, 2002</li> <li>Founder Member YTTS, an NGO involved with running various school programmes for underprivileged youth.</li> <li>Actively associated in organisations as Rotary Club Chandigarh, AIESEC, Spic Macay.</li> <li>Udyog Ratna Award from PHDCCI in 2005 (For valuable contribution to economical development of Himachal Pradesh)</li> </ul>
(4) Job profile and his suitability; Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	<p><b>Mr. Yashovardhan Saboo</b></p> <p>Our Company benefits greatly from an experienced management team with deep industry know-how and knowledge. The management team is led by Mr. Yashovardhan Saboo, our Chairman &amp; Managing Director. Mr. Saboo has rich experience of handling various areas of business and is well known in the industry. His respective skill sets and experience place him in a correspondingly equal position at major diversified Companies in India.</p> <p><b>Mr. Sanjeev Kumar Masown</b></p> <p>He brings over 31 years of experience and understanding of the industry and exposure to various fields and areas relevant for the Company. His expertise and strong background in financial planning and strategies, reporting, fund raising, banking, financial restructuring, mergers, acquisitions, taxation, compliances, fund management, automation, risk management, commercial areas, etc. brings added advantage to company. He is directly leading our strategic and fast-growing precision engineering business segment "Eigen". His leadership qualities, business acumen, strong commercial background, relationship management, out of box thinking, people centric approach and strategic initiatives are acting as catalyst in the growth and development of the Company and enhancing value for the shareholders.</p>
(5) Remuneration proposed	Details forms a part of Explanatory Statement
(6) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel [or other director], if any	<p><b>Mr. Yashovardhan Saboo</b></p> <p>(a) Mr. Yashovardhan Saboo is also a Promoter of the Company and is holding 22,02,173 equity shares (i.e. 17.90 % of the paid up capital) in the Company.</p> <p>(b) Fixed Deposits of Rs. 8.30 Crores (directly and indirectly).</p> <p>(c) Mr. Yashovardhan Saboo is a brother of Mr. Jai Vardhan Saboo and husband of Mrs. Anuradha Saboo, Non- Executive Directors of the Company.</p> <p><b>(d) Mr. Sanjeev Kumar Masown</b></p> <p>Fixed Deposits of Rs. 2.45 Crores (directly and indirectly)</p>



## NOTICE (Contd.)

### III. INFORMATION

#### 1) Reasons for inadequate

During the financial year ended 31<sup>st</sup> March 2025, the Company has reported profits. The provisions of section 197 of the Companies Act, 2013 puts a cap for the payment of remuneration to Executive and Non- Executive Directors. The total remuneration payable to Executive Directors will exceed the limits as mentioned in the section 197 of the Companies Act, 2013. Hence, in accordance with the provisions of Section 197 read with schedule V thereof, approval of the Shareholders is being sought by way of the Special Resolution set out in this notice.

#### 2) Steps taken or proposed to be taken for improvement:

The performance of the Company during the year was healthy in a challenging market environment and the Company achieved new milestones and records in precision engineering business segment and the Company has also commenced commercial production of watch bracelets. We are witnessing a healthy demand both from domestic and exports markets and expect this trend to continue in the coming quarters for the precision engineering business. The Company has initiated various steps for enhancing revenue and market share by better communication, digital marketing and social media. The response and feedback from the customers have been encouraging and we plan to continue these initiatives with high rigor and enthusiasm. The Company continues to focus on improving efficiency, productivity, turn – around time and upgrading the product offering and range by continuous enhancement of employee's skills. The Company continues to focus on the cost optimisation for improving the profitability of the Company. We strongly believe that the profitability of the Company will be remain healthier and stronger.

#### 3) Expected increase in productivity and profits in measurable terms:

The financial performance of the Company continues to be on healthy growth trajectory. The financial position, liquidity and other important parameters of profitability, gearing and growth are satisfactory and better compared to other similar type of manufacturing industries. The steps and initiatives undertaken by the Company for its business stream is likely to result in healthy growth of revenue and profitability in the coming years.

None of the Directors and Key Managerial Personnel or their relatives except Mr. Yashovardhan Saboo and Mr. Sanjeev Kumar Masown, are either concerned or interested in the resolution.

The Board recommends the Resolution set out at item no. 4 & 5 for approval of the Members by way of Special Resolution.

#### ITEM NO. 6

Section 73(2) of the Companies Act, 2013 ("the Act") makes it mandatory for the Company to obtain approval of General Meeting before accepting any borrowing from the shareholder by way of Fixed Deposits. As the conditions and maximum limits for accepting deposits from the Shareholders have been laid down in the Companies (Acceptance of Deposits) Rules, 2014 ("the rules") so approval of the shareholders is required for accepting deposits after complying with all the conditions as stated in Section 73(2) of the Act and within the limits prescribed under the rules.

The Deposits accepted by the Company may carry such rates of interest specified in the Circular to be specifically approved by the Board of Directors of the Company subsequent to the approval of the shareholders.

In view of above, approval of shareholders is sought by way of an Ordinary Resolution under Section 73(2) and other applicable provisions of the act as set out at item No. 6 of the notice.

None of the Directors and Key Managerial Personnel or their relatives are in any way, concerned or interested in the resolution set out at item no. 6 of the notice.

The Board recommends the Resolution set out at item no. 6 of the notice for the approval of the members as an Ordinary Resolution.

#### ITEM NO. 7

The Board of Directors at its meeting held on 14<sup>th</sup> August, 2025 upon the recommendations of the Audit Committee, approved the appointment of M/s Khushwinder Kumar & Co., Cost Accountants (Registration No.100123) as the Cost Auditor of the Company to conduct the audit of cost records of the Company pertaining to Electricals or electronic products and tools for financial year commencing from 1<sup>st</sup> April 2025 to 31<sup>st</sup> March 2026 at a remuneration of up to Rs. 1,00,000/- (Rs. One Lac only) plus GST & out-of pocket expenses on actual basis.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, (as amended from time to time) the remuneration as mentioned above, payable to the Cost Auditor is required to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March 2026 as set out in the Ordinary Resolution for the aforesaid services to be rendered by them.

**NOTICE (Contd.)**

None of the Directors and Key Managerial Personnel or their relatives are in any way, concerned or interested in the resolution set out at item no. 7 of the notice.

The Board recommends the Resolution set out at item no. 9 of the notice for the approval of the members as an Ordinary Resolution.

**ITEM No. 8**

Pursuant to Regulation 24A of the SEBI Listing Regulations, 2015 as amended vide SEBI Notification dated 12<sup>th</sup> December 2024, every Listed Entity is required to appoint or re-appoint a peer-reviewed Practicing Company Secretary for not more than 1 (one) term of 5 (five) consecutive years or a peer-reviewed firm of Practicing Company Secretaries for not more than 2 (two) terms of 5 (five) consecutive years, as the Secretarial Auditors of the Company with the approval of its Members in the Annual General Meeting ('AGM') of the Company.

Further, pursuant to Regulation 24A (1C) of the SEBI Listing Regulations, 2015, any association of the individual or firm as Secretarial Auditor of the Company before 31<sup>st</sup> March 2025 shall not be considered for the purpose of calculation of their aforementioned term.

Accordingly, the Board of Directors at its meeting held on 14<sup>th</sup> August, 2025, approved and recommended to the Shareholders of the Company for their approval, the appointment of M/s A. Arora & Co., Company Secretaries, Chandigarh, a proprietary firm with Mr. Ajay K. Arora (ICSI Membership No.: FCS 2191 and CP No.: 993) being its proprietor, as Secretarial Auditors of the Company for a term of 5 (Five) consecutive Years i.e. from the conclusion of forthcoming this 45<sup>th</sup> Annual General Meeting ('AGM') of the Company till the conclusion of the 50<sup>th</sup> AGM to be held in the year 2030 ('the term'), to carry out the Secretarial Audit from financial year 2025-2026 to financial year 2029-2030.

The Company has received consent letter and eligibility certificate from M/s A. Arora & Co. to act as Secretarial Auditor of the Company along with confirmation that, they have subjected themselves to the peer review process of the Institute of Company Secretaries of India and hold a valid peer review certificate, that they are not disqualified from being appointed as Secretarial Auditor and that they have no conflict of interest.

Brief profile of M/s A. Arora & Co., Company Secretaries is as under:

M/s A. Arora & Co., Company Secretaries, Chandigarh, a proprietary firm ('Secretarial Audit Firm'), is a reputed firm of Company Secretaries in Practice specialised in Secretarial Audit and other corporate law matters. The Firm has an experience of more than 30 years in providing various corporate law services and also holds a valid Peer Review Certificate (2120/2022 valid upto 31.05.2027).

The Board, after due consideration of experience and credentials of M/s A. Arora & Co., was of view that they possess the requisite qualification and are eligible to be appointed as Secretarial Auditors of the Company.

The Board of Directors, upon the recommendations of the Audit Committee, fixed the remuneration payable for the financial year 2025-26 at Rs. 1,10,000/- (Rupees One Lakh Ten Thousand only), plus reimbursement of out-of-pocket expenses incurred in connection with the audit, along with applicable taxes. The aforesaid remuneration shall be subject to an annual increase of 5% (five percent) in each subsequent financial year.

None of the Directors and Key Managerial Personnel or their relatives are in any way, concerned or interested in the resolution set out at item no. 8 of the notice.

The Board recommends the Resolution set out at item no. 8 of the notice for the approval of the members as an Ordinary Resolution.

**For and on behalf of the Board of Directors**

**Brahm Prakash Kumar**  
**Company Secretary**  
Membership no.: F7519

Date: 14<sup>th</sup> August, 2025  
Place: Gurugram

**KDDL Limited**

CIN – L33302HP1981PLC008123  
Registered office – Plot no. 3, Sector III,  
Parwanoo-173 220, Himachal Pradesh  
Corporate office – S.C.O. 88-89, Sector 8 C  
Madhya Marg, Chandigarh 160 007  
Website – [www.kddl.com](http://www.kddl.com)  
E-mail – [investor.complaints@kddl.com](mailto:investor.complaints@kddl.com)

## ANNEXURE A

### Additional Information of Director seeking Re-appointment at the 45<sup>th</sup> Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015] and (SS - 2 Secretarial Standards on General Meetings)

<b>Name of the Director</b>	<b>Mrs. Anuradha Saboo (DIN: 01812641)</b>
Date of Birth	30 <sup>th</sup> November 1961
Date of first appointment on the Board	12 <sup>th</sup> August 2023 as an Additional Director
Date of re-appointment	NA
Brief Resume, Expertise in specific functional areas	<p>Mrs. Anuradha Saboo is a graduate with a Bachelor's degree in Science from Bombay University. For several years, she headed the Packaging Division of KDDL LIMITED; during this tenure, she enrolled several export customers.</p> <p>Thereafter, when the ETHOS retail chain was established under KDDL, her responsibilities changed to take charge of the functions of marketing, training, and customer experience at ETHOS, which she managed for several years.</p> <p>She has excellent insight into the world of luxury and Swiss watches. She has a working knowledge of both French and German languages, which has been very useful in the business of the company.</p> <p>She has continued to guide the TARATEC team for organising and implementing international events and functions for export partners in Switzerland and Europe.</p>
Qualification	Bachelor's degree in Science
No. Board Meetings attended in financial year 2024-25	6
Directorship held in other Public companies (excluding foreign Company and section 8 Company)	Nil
Membership/ Chairmanship of Committees of other Public companies (includes only Audit Committee and Stakeholders' Relationship Committee)	Nil
Number of shares held in the Company	12,61,368 equity shares
Relationships with other Directors/KMP	She is the wife of Mr. Yashovardhan Saboo, Chairman & Managing Director and the sister-in-law of Mr. Jai Vardhan Saboo, Non-Executive Director of the Company.
Listed entities from which the person has resigned in the past three years	NA
Remuneration last drawn in the financial year 2024-25	Rs. 3,00,000 (Sitting Fees)

## BOARD'S REPORT

Dear Members,

Your directors present this 45<sup>th</sup> Annual Report together with the Audited Accounts of the Company for the financial year ended 31<sup>st</sup> March 2025.

### OPERATIONS AND PROSPECTS

#### Financial Results (Standalone and Consolidated)

The summary of operating results for the year 2024-25 and the previous 2 years is given below:

Particulars	Amount in Rs millions					
	Standalone			Consolidated		
	2024-25	2023-24	2022-23	2024-25	2023-24	2022-23
Income- Operational	3,836.4	3,599.2	3,139.1	16,945.7	14,197.7	11,387.6
Income- Investment	-	1,937.7	497.0	-	-	-
<b>Total Income</b>	<b>3,836.4</b>	<b>5,537.0</b>	<b>3,636.1</b>	<b>16,945.7</b>	<b>14,197.7</b>	<b>11,387.6</b>
Profit before interest, depreciation and exceptional item	886.3	2,767.2	1,104.6	3,069.7	2,766.4	1,804.6
Less: Finance Cost	109.0	88.5	85.1	314.2	262.2	239.6
<b>Gross Profit</b>	<b>777.3</b>	<b>2,678.7</b>	<b>1,019.5</b>	<b>2,755.5</b>	<b>2,504.2</b>	<b>1,565.0</b>
Less: Depreciation and amortisation	187.6	138.6	127.1	861.1	649.3	493.9
Profit before Share of Profit of an associate	589.7	2,540.1	892.4	1,894.4	1,854.9	1,071.1
Share of Profit of an associate	-	-	-	0.7	7.4	5.0
Profit Before tax	589.7	2,540.1	892.4	1,944.7	1,862.3	1,076.0
Less: Tax Expense	97.3	339.6	200.1	521.8	487.8	306.2
<b>Net Profit / (Loss) for the Year</b>	<b>492.4</b>	<b>2,200.5</b>	<b>692.3</b>	<b>1,422.9</b>	<b>1,374.5</b>	<b>769.8</b>
Other Comprehensive Income / (Loss) (OCI)	(7.4)	(9.0)	(1.6)	25.66	(14.1)	(4.8)
Total Comprehensive Income / (Loss) for the period	485.0	2,191.5	690.7	1,448.5	1,360.4	765.0

### PERFORMANCE AND PROJECTIONS

The overall performance for the financial year 2024-25 was strong, exceeding the previous year's results. The various business segments delivered mixed performances. The luxury watch retail business achieved significant revenue and profitability growth. Conversely, the watch component manufacturing business for the Swiss market remained under sustained pressure, negatively impacting overall watch component revenues.

Despite this, manufacturing revenues as a whole improved compared to the previous year, supported by robust growth in the precision stamping business and the commencement of commercial production in the watch bracelets division in October 2024.

During the year, the Company achieved consolidated sales revenue of Rs. 16,945.7 million, compared to Rs. 14,197.7 million in the previous year — an impressive growth of 19.4%. Profit before tax (PBT) increased from Rs. 1,862.3 million to Rs. 1,944.7 million, registering a growth of 4.4%.

On a standalone basis, sales revenue rose by 6.6% to Rs. 3,836.4 million, compared to Rs. 3,599.2 million in the previous year. The Company reported a standalone PBT of Rs. 589.7 million, compared with Rs. 2,540.1 million in the previous year and net profit after tax (PAT)

of Rs. 492.4 million, compared to Rs. 2,200.5 million in the previous year. However, it is pertinent to note that in the previous year the Company earned a non-operations profit of Rs. 1,937.7 from the sale of assets, which was a one-time exceptional income.

### MANUFACTURING BUSINESS SEGMENTS

The watch component business remained the largest revenue contributor within the manufacturing portfolio, though its share declined from 69% to 55% due to a significant slowdown in the global watch market, while the Company's other manufacturing businesses — namely precision engineering and packaging — showed strong growth. Additionally, the newly commissioned watch bracelets unit, which began production in the second half of the year, contributed approximately 4% to manufacturing revenues.

The Swiss watch business contracted in 2024 after three years of post-Covid rebound, with Swiss exports declining 2.8% in value terms (CHF), marking seven consecutive quarters of decline since the second half of calendar year 2023. The total number of units exported in 2024 fell by 9.4% compared to 2023, with the steepest declines coming from Greater China and Europe.



## BOARD'S REPORT (Contd.)

The year 2025 began with cautious optimism among major brands and customers, with expectations that trade and non-trade barriers — particularly from the US — will be resolved by the end of the year, paving the way for recovery and growth.

In welcome contrast, the domestic watch market showed clear of recovery, following sluggish demand in the previous year. The Company remains focused on premiumisation and supplying high-value, complex-featured products tailored to customer requirements.

Revenue from the watch components business declined by 17.1%, following a growth of 10.8% in the previous year. While domestic market sales improved by 14.7% (which had declined 7.3% in the prior year), it could not compensate the sharp decline in export sales of watch components of 26.2% (which had grown by 17.3% in the prior year).

The precision stamping business emerged as the second-largest contributor to manufacturing revenue, increasing its share from 26% to 37%. Revenue growth was driven by the Company's efforts to build relationships with large multinational corporations and high-potential accounts in selected precision component markets. The Company has upgraded its technical capabilities, expanded its product range, and extended its reach into new geographies — positioning itself for sustainable growth in the coming years.

The ornamental packaging business recorded revenue growth of 12.7%, compared to 18.1% in the previous year. During the year, commercial production commenced at the new packaging unit in Panchkula, Haryana. With a capacity of 1,00,000 premium boxes per month, this facility caters exclusively to high-end customers.

The watch bracelet unit began commercial production in October 2024 and is currently ramping up volumes. With an annual capacity of 75,000 high-end units, it will serve leading Swiss watchmakers. Initial customer feedback has been highly encouraging, prompting consideration for earlier-than-planned capacity expansion.

### PROSPECTS

Exports of watch components are expected to recover gradually. The domestic watch market is likely to sustain its growth trajectory, offering opportunities to increase market share. Overall revenue from the watch components business is projected to improve by 8-10%, driven by higher volumes and improved average realisations.

Strategic marketing initiatives, including enhanced digital presence to showcase new products and features, will be key drivers. Manufacturing excellence will remain a priority, with a focus on Guaranteed Delivery Dates (GDD), quality, and Turnaround Time (TAT).

Revenues from the watch bracelet business are expected to increase steadily as production ramps up, while expanded capacity in the ornamental packaging business is projected to deliver over 25% growth in that segment. Precision stamping revenues are expected to grow steadily, supported by market diversification,

customer acquisition, and a strong reputation for quality and technical capability.

### ETHOS LIMITED

During 2024-25, Ethos Limited delivered a robust financial performance, underscoring the strength of its business strategy, execution excellence, and the sustained demand across its luxury watch portfolio. The Company reported a standalone turnover of Rs. 12,765.14 million, representing strong year-on-year growth from Rs. 10,200.94 million in 2023-24. This growth was supported by an increase in premium watch sales and a higher contribution from the Certified Pre-Owned (CPO) business.

Despite inflationary pressures and global uncertainties, the Company improved its Profit Before Tax (PBT) to Rs. 1,315.53 million and its Profit After Tax (PAT) to Rs. 982.54 million.

Operationally, Ethos expanded its retail footprint to 73 stores across 26 cities, enhanced its omnichannel capabilities, and secured new brand partnerships to strengthen its luxury and high-luxury offerings. These initiatives resulted in higher footfalls, increased average transaction values, and stronger customer retention.

Overall, the performance reflects strong operational execution, backed by strategic expansion, customer-centricity, and a resilient supply chain. The management remains focused on long-term value creation through profitable and sustainable growth.

### Pylania SA

In 2024-25, Pylania SA's operations were impacted by the continuing slowdown in the Swiss watch industry. The Company maintained its diversified revenue streams — including partial manufacturing of watch components, trading in watch components and accessories, and providing consultancy and advisory services.

Revenue declined from CHF 2.33 million to CHF 1.58 million, a reduction of 32% compared to the previous year. Operating profit before tax fell from CHF 0.26 million to CHF 0.22 million, primarily due to reduced revenue.

As part of its growth strategy, Pylania SA has initiated infrastructure development and product design capabilities for the manufacture of high-end, precious stone watch dials targeted at premium Swiss watch brands.

During the year, Pylania SA extended additional loans of CHF 0.562 million to Estima AG. As of 31<sup>st</sup> March 2025, the cumulative loans — including subordinated loans — stood at CHF 3.482 million.

Pylania SA became a direct 100% subsidiary of KDDL Limited, following the acquisition of shares held by Kamla International Holdings SA, in accordance with an independent valuation.

### Estima AG

For the fiscal year 2024-25, Estima AG recorded revenue of CHF 2,933 million. This represents a 29% decline compared to the previous year, mainly due the slowdown in the Swiss watch industry. The operating loss increased from CHF 0.553 million to CHF 1.038 million.

## BOARD'S REPORT (Contd.)

Despite the challenging market, the management remains confident that an improvement in Swiss market conditions will lead to a healthier order pipeline and eventual profitability.

During the year, Estima AG invested in strengthening its team, acquiring selected machinery for high-quality and complex features, and recruiting skilled professionals for critical roles. The Company also benefitted from ongoing technical guidance and support from the parent company.

### **Kamla International Holdings SA (KIH)**

KIH, a wholly owned subsidiary of KDDL Limited, operates as a special-purpose vehicle for strategic overseas investments. During the year, KIH transferred its 62.5% equity holding in Pylania SA to KDDL Limited.

KIH continues to hold a 70% equity stake in Estima AG. In 2024-25, it extended additional loans, including subordinated loans, amounting to CHF 0.810 million to Estima AG and CHF 0.350 million to Pylania SA.

### **Kamla Tesio Dials Limited (KTDL)**

KTDL, a subsidiary of KDDL Limited, is engaged in the assembly of watch dials under job contracts for the parent company. In 2024-25, it reported revenue of Rs. 21.7 million and PBT of Rs. 5.6 million, compared to Rs. 14.1 million and PBT of Rs. 0.6 million in the previous year.

### **Mahen Distribution Limited**

MDL, a wholly owned subsidiary of KDDL Limited, is engaged in workforce recruitment, staffing, and managerial services. However, these services were suspended for most of 2024-25, as the Company evaluates alternative revenue and growth opportunities.

During the year, revenue from manpower services fell to Rs. 6.8 million from Rs. 34.8 million in the prior year. MDL generated significant interest income from surplus funds arising from the sale of its investment in Ethos Limited. Other income rose sharply to Rs. 114.7 million from Rs. 8.8 million in the previous year.

As a result, MDL's PBT increased to Rs. 108.6 million, compared to Rs. 6.7 million in 2023-24.

### **Silvercity Brands AG (SCB)**

SSCB is engaged in the design, development, assembly, and distribution of watches under the iconic "Favre Leuba" brand. In 2024-25, SCB recorded revenue of CHF 1.286 million, compared to CHF 0.113 million in the previous year. The Company reported a loss of CHF 0.415 million, compared to a loss of CHF 0.105 million in the prior year.

Management has ambitious plans for the brand's global growth and remains confident about expanding Favre Leuba's presence in the years ahead.

## OTHER SUBSIDIARIES

- (a) Artisan Watch Products Private Limited:** The company was incorporated on 19<sup>th</sup> March 2025 as a 80% subsidiary of KDDL Limited with Mr. Yashovardhan Saboo, Promoter and Chairman & Managing Director, holding the remaining 20%. The subsidiary aims to expand capabilities in high-end artisanal watch components. Operations are expected to commence in 2025-26.
- (b) Silvercity Brands AG (additional investment):** Mahen Distribution Limited acquired 8,74,000 fully paid-up equity shares of CHF 1 each in SCB, increasing KDDL Limited's total equity holding to 93.07% constituted by direct holding of 20.78%; indirect holding through subsidiary Ethos Limited of 33.88% and through subsidiary Mahen Distribution Limited of 38.42%.
- (c) Pylania SA (ownership change):** KDDL Limited acquired 12,450 equity shares of Pylania SA from KIH, making Pylania SA a wholly owned subsidiary.

## DIVIDEND

The Board of Directors, at its meeting on 19<sup>th</sup> May, 2025, recommended a final dividend of Rs. 5 per equity share of Rs. 10 each (fully paid-up) for the financial year ended 31<sup>st</sup> March, 2025. Payment of the dividend is subject to approval by shareholders at the forthcoming Annual General Meeting and will be subject to applicable tax deduction at source. The book closure date for determining eligible shareholder is Tuesday, 9<sup>th</sup> September, 2025.

This recommendation is in line with the Company's Dividend Distribution Policy, available at:

<https://www.kddl.com/wp-content/uploads/PDF/Dividend%20Distribution%20Policy.pdf>

## TRANSFER TO RESERVES

The Board does not propose to transfer any amount to the General Reserve for the year under review.

## BUY BACK OF SHARES

During 2024-25, the Company bought back 2,37,837 fully paid-up equity shares of Rs. 10 each, representing 1.90% of the paid-up equity share capital, through a tender offer via the stock exchange mechanism, at Rs. 3,700 per share. The total buy-back outlay was Rs. 87,99,96,900, representing 22.35% and 12.06% of the aggregate of fully paid-up share capital and free reserves as per the latest audited standalone and consolidated financial statements as of 31<sup>st</sup> March, 2024.

## BOARD'S REPORT (Contd.)

### SHARE CAPITAL

Following the buy-back, the subscribed and paid-up share capital reduced from Rs. 12,53,71,170 (1,25,37,117 equity shares of Rs. 10 each) to Rs. 12,29,92,800 (1,22,99,280 equity shares of Rs. 10 each). There was no change in authorised share capital, and the Company has not issued shares with differential voting rights.

### CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Companies Act, 2013, Regulation 33 of the SEBI Listing Regulations, and applicable accounting standards, the consolidated financial statements of the Company, including its subsidiaries, form an integral part of this Annual Report.

Pursuant to Section 129(3) of the Act, a statement containing salient features of the Financial Statements of each of the subsidiaries, associates and JV Companies in the prescribed Form AOC-1 as Annexure I forms part of the Annual Report.

### CREDIT RATING

During the year under review, ICRA Limited has assigned the following credit rating:

Instrument	Rating Action
Long term- Fund-based/ Cash Credit	[ICRA]A+(Stable); Reaffirmed
Long term Fund-based/ Term Loan	[ICRA]A+ (Stable); Reaffirmed and assigned for enhanced amount
Short term- Non-fund Based	[ICRA]A1+; Reaffirmed and assigned for enhanced amount
Fund Based Limits- Others	[ICRA]A+(Stable)/ [ICRA] A1+: assigned
Long term Unallocated	[ICRA]A+ (Stable); Reaffirmed and assigned for enhanced amount

### DEPOSITS

The details of deposits covered under Chapter V of the Companies Act, 2013 ("the act") is given hereunder:

1. Deposits Accepted/ renewed during the year: Rs 19,61,80,000
2. Deposits outstanding at the end of the year: Rs. 32,85,59,000
3. Deposits remained unpaid or unclaimed as at the end of the year: Rs. 4,78,000
4. Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved: NIL
5. The details of deposits which are not in compliance with the requirements of Chapter: NIL

### MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN END OF THE FINANCIAL YEAR AND DATE OF REPORT

There have been no material changes and commitments for the likely impact affecting financial position between end of the financial year and the date of the report. Also, there has been no change in the nature of business of the Company.

### SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

### PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 186

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Act, are given in the respective notes to the standalone financial statements of the Company.

### RELATED PARTY TRANSACTIONS

All transactions with related parties were reviewed and approved by the Audit Committee and were in accordance with the Policy on dealing with and materiality of related party transactions and the related party framework formulated and adopted by the Company.

All contracts/arrangements/transactions entered into by the Company during the year under review with related parties were in the ordinary course of business and on arm's length basis in terms of provisions of the Act. There are no material significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons and their relatives which may have a potential conflict with the interest of the Company at large.

The details of the related party transactions as per Indian Accounting Standards (IND AS) - 24 are set out in Notes to the standalone financial statements of the Company. Disclosures of related party transactions in terms of Regulation 23 of the Listing Regulations submitted to Stock Exchanges for the half year on a consolidated basis, in the specified format -are available on the website of the Company at [www.kddl.com](http://www.kddl.com).

Form AOC-2 pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out in Annexure II to this Report.

### BOARD DIVERSITY

KDDL Limited strongly acknowledges that diversity at the Board level is crucial to its continued success and competitive advantage.

## BOARD'S REPORT (Contd.)

The Company emphasizes that true diversity goes beyond gender or ethnicity—it encompasses a broad mix of thought, perspective, regional and industry experience, cultural and geographical background, age, ethnicity, race, gender, knowledge and skills including expertise in financial, global business, leadership, technology, mergers & acquisitions, Board service, strategy, sales, marketing and other domains. The Board Diversity Policy is a core component of the Company's Nomination & Remuneration Policy, demonstrating KDDL's commitment to structured, inclusive leadership and the same is available on our website, at <https://www.kddl.com/wp-content/uploads/PDF/Nomination%20&%20Remuneration.pdf>

### DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Act (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the Directors of the Company state that:—

- (i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the directors had 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 at the end of the financial year and of the profit and loss of the Company for that period;
- (iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the directors had prepared the annual accounts on a going concern basis; and
- (v) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### DECLARATION FROM DIRECTORS

The Company has, inter alia, received the following declarations from all the Independent Directors confirming that:

- they meet the criteria of independence as prescribed under the provisions of the Act, read with the Schedule and Rules issued thereunder, and the Listing Regulations. There has been no change in the circumstances affecting their status as Independent Directors of the Company;
- they have complied with the Code for Independent Directors prescribed under Schedule IV to the Act; and

- they have registered themselves with the Independent Director's Database maintained by the Indian Institute of Corporate Affairs.

None of the Directors of the Company are disqualified for being appointed as Directors as specified under Section 164(2) of the Act read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### (i) Appointment/Re-appointment of Non-Executive Directors:

The Shareholders of the Company at their 44<sup>th</sup> AGM held on 27<sup>th</sup> September, 2024 confirmed the re- appointment of

Mr. Jai Vardhan Saboo (DIN: 00025499) who retired by rotation at 44<sup>th</sup> Annual General Meeting and offered himself for reappointment.

#### (ii) Pursuant to the recommendations of Nomination and Remuneration Committee and Audit Committee, the Board of Directors of the Company at its meeting held on 19<sup>th</sup> May, 2025 appointed Mr. Chitranjan Agarwal (DIN: 00095715) as an Additional Director (Independent) who shall hold office till the date of ensuing Annual General Meeting (AGM) of the Company. The Company sought approval from the Shareholders of the Company by way of Postal Ballot Notice dated 19<sup>th</sup> July, 2025 for his appointment as an Independent Director for a period of 5 consecutive years commencing from 19<sup>th</sup> May, 2025 to 18<sup>th</sup> May, 2030.

(iii) Pursuant to the recommendations of Nomination and Remuneration Committee and Audit Committee, the Board of Directors of the Company through resolution passed by circulation on 30<sup>th</sup> May, 2025 appointed Mr. Anurag Maheshwari (DIN: 02872318), as an Additional Director (Independent) who shall hold office till the date of ensuing Annual General Meeting (AGM) of the Company. The Company sought approval from the Shareholders of the Company by way of Postal Ballot Notice dated 19<sup>th</sup> July, 2025 for his appointment as an Independent Director for a period of 5 consecutive years commencing from 30<sup>th</sup> May, 2025 to 29<sup>th</sup> May, 2030.

(iv) In accordance with the provisions of Companies Act, 2013, Mrs. Anuradha Saboo (DIN: 01812641) retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for reappointment. Necessary resolution for the re-appointment of Mrs. Anuradha Saboo forms part of the Notice convening 45<sup>th</sup> Annual General Meeting (AGM). The Board recommends her re-appointment for the approval of the members.

The necessary disclosures required under the Act, the Listing Regulations and Secretarial Standards-2 on General Meetings issued by the Institute of Company Secretaries of



## BOARD'S REPORT (Contd.)

India ("ICSI"), for the above-mentioned re-appointment are provided in the Notice of 44<sup>th</sup> AGM of the Company.

In the opinion of the Board, all the Directors, as well as the Director proposed to be re-appointed, possess the requisite qualifications, experience and expertise and hold high standards of integrity.

During the year under review, the Non-Executive Directors (NEDs) of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees received by them for attending the meetings of the Board of Directors and Committee thereof and/or interest on deposits and dividend payment, if any.

- (v) Mr. Anil Khanna and Mrs. Ranjana Agarwal, Independent Directors of the Company ceased to be Directors w.e.f 6<sup>th</sup> August, 2024, upon completion of their second term of 5 (Five) consecutive years.

### Key Managerial Personnel

Mr. Yashovardhan Saboo – Chairman & Managing Director, Mr. Sanjeev Kumar Masown – Whole time Director cum Chief Financial Officer and Mr. Brahm Prakash Kumar – Company Secretary, are the Key Managerial Personnel of the Company. During the year under review, there were no changes to the Key Managerial Personnel of the Company.

### BOARD MEETINGS

During the year under review, 8 (eight) meetings of the Board of Directors were held. The intervening gap between the Meetings was within the period prescribed by the Act and the Listing Regulations.

### BOARD COMMITTEES

As on 31<sup>st</sup> March 2025, the Board has 5 (five) Committees: Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Risk Management Committee and Stakeholders Relationship Committee.

During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board. The composition and terms of reference of all the Committees of the Board of Directors of the Company is in line with the provisions of the Act and the Listing Regulations.

### PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013, Listing Regulations and in accordance with the manner of evaluation, the Board carried out an annual performance evaluation of its own performance, board committees and of the Directors individually (including Independent Directors). A separate meeting of the Independent Directors was convened during the financial year under review, which, inter alia, reviewed the performance of the

Board as a whole, the non-independent directors and the Chairman of the Company after taking into account the views of Executive and Non-executive Directors, assessed the quality, quantity and timeliness of flow of information between the Management and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties and expressed satisfaction over the same.

### NOMINATION AND REMUNERATION POLICY

The Company has in place a policy for remuneration, nomination, selection and appointment of Directors, KMPs and Senior Management, approved by the Board of Directors. The Policy broadly lays down the guiding principles, criteria and the basis for payment of remuneration to the Executive and Non-Executive Directors (by way of sitting fees and commission), KMPs and Senior Management. The criteria for the selection of candidates for the above positions cover various factors and attributes, which are considered by the Nomination & Remuneration Committee and the Board of Directors while selecting candidates. The policy details are explained in Corporate Governance Report which forms part of the Annual Report. The policy can also be accessed at [https://www.kddl.com/wp-content/uploads/PDF/KDDL\\_Remuneration\\_Policies.pdf](https://www.kddl.com/wp-content/uploads/PDF/KDDL_Remuneration_Policies.pdf)

### FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

In compliance with the requirements of Regulation 25(7) of the Listing Regulations, the Company has put in place a Familiarisation Programme for the Independent Directors to familiarise them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model etc. The details of the training and familiarisation program are posted on the website of the Company and can be accessed at <https://www.kddl.com/familiarisation-programme>.

### BOARD POLICIES

The various policies that the Board has approved and adopted in accordance with the requirements set forth by the Act and the SEBI Listing Regulations can be accessed at our website at <https://www.kddl.com/codes-and-policies/>

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is committed to making a positive social impact through its Corporate Social Responsibility (CSR) initiatives in the areas environmental sustainability, promoting education, enhancing vocational skills and promoting healthcare including preventive healthcare.

In this direction and in terms of provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended), the Company was required to spend 2% of the average net profits of the immediately preceding three financial years towards its Corporate Social

## BOARD'S REPORT (Contd.)

Responsibility (CSR) obligations for the financial year 2024-25 amounting to Rs. 116.62 lacs. However, the Company spent Rs. 86.91 lacs during the said financial year, resulting in an unspent amount of Rs. 29.71 lacs.

Certain CSR projects required more time for evaluation, partner selection, and implementation planning, resulting in unspent funds during the reporting year. In accordance with the provisions of Section 135 of the Companies Act, 2013, the Company has transferred unspent CSR amount relating to ongoing projects to a separate CSR Unspent Account before 30<sup>th</sup> April, 2025. The Company is actively taking necessary steps to ensure that the unspent CSR funds are fully utilised towards approved projects within the financial year 2025–26.

A annual report on the CSR activities undertaken during the financial year ended 31<sup>st</sup> March 2025, in accordance with Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules") is set out in Annexure III to this Report. The Company's CSR Policy is available on our website, at [https://www.kddl.com/wp-content/uploads/PDF/KDDL\\_CSR\\_Policy.pdf](https://www.kddl.com/wp-content/uploads/PDF/KDDL_CSR_Policy.pdf).

### VIGIL MECHANISM

At KDDL, we are committed to maintaining the highest standards of professional integrity and ethical conduct across all aspects of our business operations.

To support this commitment, the Company has established a robust vigil mechanism through its Whistle Blower Policy, which has been duly approved and adopted by the Board of Directors.

The Policy also provides adequate protection to all its stakeholders who report unethical practices and irregularities. Any incidents that are reported are investigated and suitable action is taken in line with the Company's Whistle Blower Policy. No person is denied access to the Audit Committee.

The Whistleblower Policy is available on our website, at <https://www.kddl.com/wp-content/uploads/PDF/Whistle%20Blower%20Policy.pdf>

### RISK MANAGEMENT

The mandatory disclosure of a risk management policy underscores the importance of proactive risk management for the Company's sustainability. Identifying risks that could potentially threaten the Company's existence emphasises the Board's responsibility to consider both immediate and long-term threats to the Company's viability and to implement appropriate mitigation strategies. In order to comply with the above requirements, the Board of Directors has established a Risk Management Committee to oversee the spectrum of organisational risks diligently. The Corporate Governance Report, an integral part of this document, provides detailed insights into the committee's operations. The

committee evaluates the effectiveness of risk mitigation strategies, ensuring they are robust and responsive. In line with this, the Board has endorsed a comprehensive Risk Management Policy, a synopsis of which can be accessed on our website at <https://www.kddl.com/wp-content/uploads/PDF/policies/RCM-19-12-2022.pdf>.

### PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

Your Board strongly believes in providing a safe and harassment free workplace for each and every individual working for the Company through various interventions and practices. It is the continuous endeavour of the Management of the Company to create and provide an environment to all its employees that is free from discrimination and harassment including sexual harassment. The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder.

The Company periodically conducts sessions for employees across the organisation to build awareness about the Policy and the provisions of the Prevention of Sexual Harassment Act. During the year under review, the Company has not received any complaint related to sexual harassment and accordingly, no complaint was pending as on 31<sup>st</sup> March 2025. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

In compliance with Regulation 34(2)(f) of the Listing Regulations, the Business Responsibility and Sustainability Report ("BRSR") is attached as Annexure – IV forming part of this report.

### ANNUAL RETURN

In terms of Section 92(3) of the Act and rule 12 of the companies (Management and Administration) Rules, 2014, the Annual Return is available on the website of the Company at [www.kddl.com](http://www.kddl.com).

### CORPORATE GOVERNANCE REPORT

Our corporate governance practices are a reflection of our value system encompassing our culture, policies, and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times. Corporate governance is about maximising shareholder value legally, ethically and sustainably. At KDDL, the Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures seek to attain the best practices in international corporate governance. We also endeavor to enhance long-term shareholder value and respect minority rights in all our business decisions. The Corporate Governance Report

## BOARD'S REPORT (Contd.)

and the certificate from the Independent Company Secretary, as stipulated in Schedule V of the Listing Regulations, are provided in a separate section which forms part of this Annual Report.

### ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on the conservation of energy, technology absorption and foreign exchange earnings and outgo as stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is set out in Annexure-V to the Board's Report.

### PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report as Annexure VI-A.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of employees is attached to this report as Annexure VI- B.

### AUDITORS AND AUDITORS' REPORT

#### Statutory Auditor

Upon completion of their term as Statutory Auditors of the Company, M/s S. R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No. 301003E/E300005), ceased to hold office at the conclusion of the 44<sup>th</sup> Annual General Meeting (AGM) of the Company. Accordingly, the Shareholders of the Company at 44<sup>th</sup> Annual General Meeting (AGM) held on 27<sup>th</sup> September, 2024 had appointed M/s Walker Chandiok & Co. LLP, Chartered Accountants (ICAI Firm registration no. 001076N/N500013), as Statutory Auditors of the Company for a term of five years to hold office from the conclusion of the 44<sup>th</sup> Annual General Meeting of the Company till the conclusion of the 49<sup>th</sup> Annual General Meeting of the Company.

The report of the Statutory Auditor forms part of Annual Financial Statements 2024-25 (Standalone and Consolidated). The said report does not contain any qualification, reservation or adverse remark. Information referred to in the Auditors' Reports are self-explanatory and do not call for any further comments.

#### Cost Auditor

During the year, the Company maintained cost records of its Eigen unit, pertaining to electricals or electronic products and tools in accordance with the provisions of Section 148 of the act, read with the Companies (Cost Records and Audits) Rules, 2014. M/s Khushwinder Kumar & Co., Cost Accountants (FRN.: 100123) the Cost Auditor of the Company conducted the audit of cost records

of Company's EIGEN unit for financial year commencing from 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025.

The Board of Directors of the Company, on the recommendations of the Audit Committee has reappointed M/s Khushwinder Kumar & Co. Cost Accountants (FRN: 100123) as the Cost Auditor of the committee to conduct the audit of cost records of Company's Eigen unit for the financial year 2025-26. As required under the Act read with the Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to Cost Auditors must be placed before the Members at a general meeting for ratification. Hence, a resolution for the same forms part of the notice of the 45<sup>th</sup> AGM.

#### Secretarial Auditor

The Secretarial Audit Report for the financial year 2024-25 given by M/s A. Arora & Co., Practicing Company Secretaries (C.P. No.: 993) is attached herewith as Annexure VII. There has been no qualification, reservation, adverse remark or disclaimer given by the Secretarial Auditors in their Report. Information referred to in the Secretarial Auditors' Report are self-explanatory and do not call for any further comments.

In order to comply with the recent amendments of Listing Regulations read with the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Board of Directors of the Company has proposed and recommended to appoint M/s A. Arora & Co., Company Secretaries, Chandigarh, a proprietary firm with Mr. Ajay K. Arora (ICSI Membership No.: FCS 2191 and CP No.: 993) being its proprietor, as Secretarial Auditors of the Company for a term of 5 (Five) consecutive Years from the conclusion of 45<sup>th</sup> Annual General Meeting ('AGM') of the Company till the conclusion of the 50<sup>th</sup> AGM to be held in the year 2030 ('the term'), to carry out the Secretarial Audit from financial year 2025-2026 to financial year 2029-2030. Necessary resolution forms part of the notice of 45<sup>th</sup> AGM.

### REPORTING OF FRAUDS BY AUDITORS

None of the Auditors of the Company has identified and reported any fraud as specified under the second proviso of Section 143(12) of the Act.

### CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)

There are no proceedings, initiated by any Financial Creditor or Operational Creditor or by the Company, under the Insolvency and Bankruptcy Code, 2016 as amended, before National Company Law Tribunal or other courts during the year 2024-2025.

### INTERNAL FINANCIAL CONTROLS (IFC) AND THEIR ADEQUACY

The Company maintains adequate internal control systems, policies and procedures for ensuring orderly and efficient conduct of the business, including adherence to the Company's policies,

**BOARD'S REPORT (Contd.)**

safeguard of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures in all areas of its operations. The services of internal and external auditors are sought from time to time as well as in-house expertise and resources. The Company believes that it has sound internal control systems commensurate with the nature and size of its business. The Company continuously upgrades these systems in line with best-in-class practices.

These reports and deviations are regularly discussed with the Management Committee members and actions are taken, whenever necessary. The Audit Committee of the Board periodically reviews the adequacy of the internal control systems.

**LISTING OF SHARES**

The shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited and the listing fee for the year 2025-26 has been duly paid.

**PERSONNEL**

Your directors place on record, their appreciation for the significant contribution made by all the employees, whose competence, hard work, and co-operation, has enabled the Company to perform well.

**CYBER SECURITY**

Due to the rise in cyberattacks, we regularly review our cybersecurity practices and improve our processes and technology controls based on new threats. Our company has real-time

security monitoring in place, along with necessary controls at different levels, from individual user devices to networks, servers, applications, and data.

**PROHIBITION OF INSIDER TRADING**

The Company has established a Code of Conduct for Prohibition of Insider Training ("Code") to govern, monitor, and report trading in the Company's shares by designated persons and their immediate relatives, in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code outlines the procedures that designated persons must follow when trading or dealing in the Company's shares and sharing Unpublished Price Sensitive Information ("UPSI"). The Code can be accessed at the Company's website at <https://www.kddl.com/insider-trading/>

**TRADE RELATIONS**

The Board wishes to place on record its appreciation for the support and co-operation that the Company received from its suppliers, and other associates. The Company has always looked upon them as partners in its progress and has happily shared with them rewards of growth. It will be Company's endeavor to build and nurture strong links based on mutuality, respect and co-operation with each other and consistent with customer interest.

**ACKNOWLEDGEMENTS**

Your directors take this opportunity to thank all the investors, clients, vendors, banks, regulatory and government authorities, for their continued support.

**For and on behalf of the Board of Directors**

**Yashovardhan Saboo**

Chairman & Managing Director

DIN: 00012158

Date: 14<sup>th</sup> August, 2025

Place: Gurugram



## ANNEXURE I

## Form AOC-1

Pursuant to first proviso to sub-section 3 of section 129 read with rule 5 of Companies (Accounts) Rules, 2014}

## Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

## Part 'A': Subsidiaries

Particulars	Amount(Rs. in Lacs)									
Name of the subsidiary	Pylania SA	Kamla International Holdings AG	Ethos Limited	Mahen Distribution Limited	Estima AG	Cognition Digital LLP	Kamla Tesio Dials Limited	Silvercity Brands AG	Favre Leuba GmbH	Ethos Lifestyle Private Limited (formerly RF Brands Private Limited)
	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary	Subsidiary
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31-03-2025	31-03-2025	31-03-2025	31-03-2025	31-03-2025	31-03-2025	31-03-2025	31-03-2025	31-03-2025	31-03-2025
Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Rs Exchange rate: B/s CHF = 96.05 P/L CHF = 95.40	Rs Exchange rate: B/s CHF = 96.05 P/L CHF = 95.40	Rs.	Rs.	Rs Exchange rate: B/s CHF = 96.05 P/L CHF = 95.40	Rs.	Rs.	Rs Exchange rate: B/s CHF = 96.05 P/L CHF = 95.40	Rs Exchange rate: B/s CHF = 96.05 P/L CHF = 95.40	Rs.
Share capital	1,050.64	1,944.36	2,448.04	600.57	887.40	42.94	100.00	6,302.66	18.39	600.00
Reserves & surplus	1,394.70	1,404.48	95,560.43	27,632.39	(4,883.11)	627.39	(14.25)	1,218.47	(1.82)	(11.00)
Total assets	4,695.66	4,720.32	1,39,610.54	28,234.86	4,338.33	762.63	162.04	8,366.95	16.57	1723.82
Total liabilities	2,250.32	1,371.48	41,602.07	1.90	8,334.04	92.30	76.29	845.82	-	1134.82
Investments	-	-	4,593.93	3,743.58	-	-	-	44.13	-	-
Turnover	1,463.38	-	1,25,162.71	67.75	2,796.92	510.17	215.65	1,227.26	-	-
Profit before taxation	214.28	994.18	13,155.29	1,086.24	(990.38)	136.86	55.92	(395.74)	(2.62)	(11.00)
Provision for taxation	51.30	0.40	3,329.88	214.40	(0.39)	48.19	6.30	-	-	-
Profit after taxation	162.98	993.78	9,825.41	871.84	(989.99)	88.67	49.62	(395.74)	(2.62)	(11.00)
Proposed Dividend	-	-	-	-	-	-	-	-	-	-
% of shareholding	100%	100%	50.12%	100.00%	100.00%	99.99%	99.99%	92.63%	92.63%	100%

**ANNEXURE I (CONTD.)**
**Part “B”: Associates and Joint Ventures**

(Amount Rs. in Lacs)

Name of Associates	Pasadena Retail Private Limited
<b>1. Latest audited Balance Sheet Date</b>	31-03-2025
<b>2. Shares of Associate/ Joint Ventures held by the company on the year end</b>	
Number	27,50,000
Amount of Investment in Associates/ Joint Ventures	275.00
Extent of Holdings %	50%
<b>3. Description of how there is significant influence</b>	Associate/Joint Venture Company
<b>4. Reason why the associate/ joint venture is not consolidated</b>	N.A.
<b>5. Net worth attributable to Shareholding as per latest audited Balance Sheet</b>	388.37
<b>6. Profit/ Loss for the Year</b>	14.25
i. Considered in Consolidation	7.13
ii. Not Considered in Consolidation	7.12

**For and on behalf of the Board of Directors**

**Yashovardhan Saboo**  
Chairman & Managing Director  
DIN: 00012158

**Sanjeev Kumar Masown**  
Whole time Director cum CFO  
DIN: 03542390

Date: 14<sup>th</sup> August, 2025  
Place: Gurugram

**Brahm Prakash Kumar**  
Company Secretary  
F7519

## ANNEXURE II

### Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto.

- Details of Contracts and arrangements or transactions not at arm's length basis: NA
- Details of Contracts or arrangements or transactions at arm's length basis:.

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts / the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:		Amount paid as advances, if any:
1.	Estima AG	Business Transactions	Transactions in the normal course of business during 2024-25	i) Sale of Goods & Services ii) Purchase of Raw Material & Components iii) Payment of lease liabilities iv) Reimbursement of expenses paid by the Company	806.59 20.51 10.78 3.32	NIL
2.	Ethos Limited	Business Transactions	Transactions in the normal course of business during 2024-25	i) Events and exhibition ii) Reimbursement of expenses paid by the Company iii) Reimbursement of expenses received by the Company iv) Rent received v) Sale of goods and services vi) Purchase of Raw Material & Components vii) Service Charges paid viii) Purchase of property, plant and equipment ix) Sale of property, plant and equipment x) Dividend paid	6.29 4.75 36.63 31.41 3.65 3.71 0.21 61.27 1.59 1.18	NIL
3.	Dream Digital Technology Limited	Business Transactions	Transactions in the normal course of business during 2024-25			NIL
4.	Vardhan Properties and Investment Limited	Business Transactions	Transactions in the normal course of business during 2024-25	i) Rent Received ii) Dividend Paid	0.60 1.53	NIL
5.	Mahen Distribution Limited	Business Transactions	Transactions in the normal course of business during 2024-25	i) Rent received ii) Contractual labour expenses iii) Reimbursement of expenses paid by the Company	0.60 67.34 4.01	NIL

**ANNEXURE II (CONTD.)**

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts / arrangements/ transactions	(Amount Rs. in Lacs)	
				Salient terms of the contracts or arrangements or transactions including the value, if any:	Amount paid as advances, if any:
6.	Mr. R.K. Saboo.	Business Transactions	Transactions in the normal course of business during 2024-25	i) Employee benefit expense ii) Dividend paid iii) Interest Paid iv) Deposits Received v) Deposits Repaid	30.00 80.04 13.40 160.00 120.00 NIL
7.	Mr. Yashovardhan Saboo	Business Transactions	Transactions in the normal course of business during 2024-25	i) Payment of lease liabilities ii) Compensation to key managerial personnel iii) Dividend paid iv) Deposits Received v) Sale of property, plant and equipment vi) Interest Paid	19.51 270.60 88.59 200.00 2.31 12.43 NIL
8.	Ms. Anuradha Saboo	Business Transactions	Transactions in the normal course of business during 2024-25	i) Payment of lease liabilities ii) Dividend paid iii) Interest Paid / accrued iv) Deposits Received v) Director Sitting Fees vi) Deposits Repaid	32.53 18.66 18.08 262.30 3.00 250.00 NIL
9.	Ms. Usha Saboo	Business Transactions	Transactions in the normal course of business during 2024-25	i) Interest Paid/ accrued ii) Deposits from shareholders accepted/renew iii) Deposits from shareholders repaid iv) Dividend paid	15.66 268.00 92.00 6.80 NIL
10.	Mr. Sanjeev K Masown	Business Transactions	Transactions in the normal course of business during 2024-25	i) Compensation to key managerial personnel ii) Interest Paid/ accrued iii) Interest received iv) Loan given by the Company v) Deposits Received vi) Repayment of Loan given by Company	135.72 8.75 8.51 100.00 20.00 20.00 NIL
11.	Mrs. Neeraj Masown	Business Transactions	Transactions in the normal course of business during 2024-25	i) Interest Paid ii) Deposits from shareholders accepted/renew iii) Deposits from shareholders repaid iv) Dividend Paid	11.25 28.55 23.19 0.00 NIL



## ANNEXURE II (CONTD.)

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts / arrangements/ transactions	(Amount Rs. in Lacs)	
				Salient terms of the contracts or arrangements or transactions including the value, if any:	Amount paid as advances, if any:
12.	Mr. Lal Chand Masown	Business Transactions	Transactions in the normal course of business during 2024-25	i) Deposits from shareholders accepted/renew ii) Deposits from shareholders repaid iii) Interest Paid iv) Dividend Paid	NIL 18.25 16.88 1.61 0.00
13.	Mr Anil Khanna	Business Transactions	Transactions in the normal course of business during 2024-25	i) Interest Paid/accrued ii) Director sitting Fee	NIL 6.12 1.80
14.	Mrs Alka Khanna	Business Transactions	Transactions in the normal course of business during 2024-25	i) Interest Paid/ accrued	NIL 0.76
15.	Mrs Ranjana Agarwal	Business Transactions	Transactions in the normal course of business during 2024-25	i) Interest Paid/accrued ii) Director sitting Fee iii) Deposits accepted/renew iv) Deposits from shareholders repaid	NIL 25.73 1.28 164.90 125.00
16.	Mr Praveen Gupta	Business Transactions	Transactions in the normal course of business during 2024-25	i) Director sitting Fee ii) Interest paid/ accrued iii) Deposits accepted/renew iv) Deposits Repaid	NIL 6.83 2.93 30.00 30.00
17.	Mr Sanjiv Sachar	Business Transactions	Transactions in the normal course of business during 2024-25	i) Director sitting Fee ii) Dividend Paid	NIL 8.50 0.06
18.	Mr Jai Vardhan Saboo	Business Transactions	Transactions in the normal course of business during 2024-25	Director sitting Fee	NIL 2.00
19.	Cognition Digital LLP	Business Transactions	Transactions in the normal course of business during 2024-25	i) Rent Received	NIL 0.60

**ANNEXURE II (CONTD.)**

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts / arrangements/ transactions	(Amount Rs. in Lacs)	
				Salient terms of the contracts or arrangements or transactions including the value, if any:	Amount paid as advances, if any:
20.	Salonee Khanna	Business Transactions	Transactions in the normal course of business during 2024-25	i) Interest Paid/accrued 0.23	NIL
21.	Kamla Tesio Dials Limited	Business Transactions	Transactions in the normal course of business during 2024-25	i) Job work charges paid ii) Rent received 215.65 14.64	NIL
22	Mr. Pranav S Saboo	Business Transactions	Transactions in the normal course of business during 2024-25	i) Dividend paid 32.67	NIL
23	Ms. Satvika Saboo	Business Transactions	Transactions in the normal course of business during 2024-25	i) Dividend paid 6.76	NIL
24	Pylania SA	Business Transactions	Transactions in the normal course of business during 2024-25	i) Job work charges paid ii) Purchase of raw material and components iii) Reimbursement of expenses paid by the Company iv) Sale of goods and services v) Guarantee Commission Received vi) Reimbursement of expenses received by the Company vii) Payment of lease liabilities viii) Investment Made 24.60 50.51 99.07 855.91 8.55 29.76 21.30 1978.16	NIL
25	Saboo Housing Projects LLP	Business Transactions	Transactions in the normal course of business during 2024-25	i) Payment of lease liabilities 7.91	NIL

## ANNEXURE II (CONTD.)

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts / arrangements/ transactions	(Amount Rs. in Lacs)	
				Salient terms of the contracts or arrangements or transactions including the value, if any:	Amount paid as advances, if any:
26	Kamla International Holdings	Business Transactions	Transactions in the normal course of business during 2024-25	i) Interest Income 99.77	NIL
27	Ms. Neelima Tripathi	Business Transactions	Transactions in the normal course of business during 2024-25	i) Director Sitting Fees 3.00	NIL
28	Mr. Nagarajan Subramanian	Business Transactions	Transactions in the normal course of business during 2024-25	i) Director Sitting Fees 4.65 ii) Dividend Paid 0.00	NIL
29	Saahil Khanna	Business Transactions	Transactions in the normal course of business during 2024-25	i) Interest paid/accrued 0.18	NIL
30	ASP SABOO FAMILY TRUST	Business Transactions	Transactions in the normal course of business during 2024-25	i) Interest paid/accrued 0.54 ii) Deposits Received from Relative of Directors 5.60 iii) Deposits Repaid 5.18	NIL
31	RKS JS FAMILY TRUST	Business Transactions	Transactions in the normal course of business during 2024-25	i) Interest paid/accrued 14.21 ii) Deposits Received from Relative of Directors 146.60 iii) Deposits Repaid 146.60	NIL
32	UDS JS FAMILY TRUST	Business Transactions	Transactions in the normal course of business during 2024-25	i) Interest paid/accrued 0.46 ii) Deposits Received from Relative of Directors 5.00 iii) Deposits Repaid 5.00	NIL

**ANNEXURE II (CONTD.)**

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements / transactions	Duration of the contracts / arrangements/ transactions	(Amount Rs. in Lacs)	
				Salient terms of the contracts or arrangements or transactions including the value, if any:	Amount paid as advances, if any:
33	VEENA KANORIA FAMILY TRUST	Business Transactions	Transactions in the normal course of business during 2024-25	i) Interest paid/accrued ii) Deposit Repaid	NIL 100.00
34	KDDL Ethos Foundation	Business Transactions	Transactions in the normal course of business during 2024-25	i) CSR Contribution made	NIL
35	SABOO VENTURES LLP	Business Transactions	Transactions in the normal course of business during 2024-25	i) Dividend paid	NIL
36	Silvercity Brands AG	Business Transactions	Transactions in the normal course of business during 2024-25	ii) Sale of goods and services iii) Investment Made iv) Reimbursement of expenses received by the Company	NIL 32.06 725.51 68.15
37	Brahm Prakash Kumar	Business Transactions	Transactions in the normal course of business during 2024-25	i) Compensation to key managerial personnel ii) Interest Paid / accrued iii) Deposit Received iv) Deposit Repaid v) Dividend Paid	NIL 43.40 5.49 9.21 8.50 0.09
38	Muskan Masown	Business Transactions	Transactions in the normal course of business during 2024-25	i) Interest Paid / accrued ii) Dividend Paid	NIL 2.17 0.00
39	Artisan Watch Products Private Limited	Business Transactions	Transactions in the normal course of business during 2024-25	i) Reimbursement of expenses received by the Company	NIL 5.09

## ANNEXURE III

### ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014]

#### 1. A BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

The Company undertakes and/or supports various activities/projects as notified by the Ministry of Corporate Affairs from time to time. The Company undertakes CSR Activities directly or indirectly through a registered trust or society or any company established under Section 8 of the Act for CSR objectives. The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web-link of the same is [http://www.kddl.com/wp-content/uploads/PDF/KDDL\\_CSR\\_Policy.pdf](http://www.kddl.com/wp-content/uploads/PDF/KDDL_CSR_Policy.pdf)

#### 2. THE COMPOSITION OF THE CSR COMMITTEE:

Name	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
Mr. R.K. Saboo	Chairman	1	1
Mr. Yashovardhan Saboo	Member	1	1
Mrs. Ranjana Agarwal*	Member	1	1
Mr. Praveen Gupta	Member	1	1
Mrs. Anuradha Saboo**	Member	NA	NA

\*Ceased to be member w.e.f 6<sup>th</sup> August, 2024

\*\*Appointed as member w.e.f 14<sup>th</sup> August, 2024

#### 3. WEB-LINK(S) WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY.

Sr. No.	Particulars	Web- link(s)
1	Composition of CSR Committee	<a href="https://www.kddl.com/corporate-governance/">https://www.kddl.com/corporate-governance/</a>
2	CSR Policy	<a href="https://www.kddl.com/wp-content/uploads/PDF/KDDL_CSR_Policy.pdf">https://www.kddl.com/wp-content/uploads/PDF/KDDL_CSR_Policy.pdf</a>
3	CSR Project	<a href="https://www.kddl.com/corporate-responsibility/">https://www.kddl.com/corporate-responsibility/</a>

#### 4. PROVIDE THE EXECUTIVE SUMMARY ALONG WITH WEB-LINK(S) OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE(3) OF RULE 8, IF APPLICABLE: Not Applicable

#### 5. a. AVERAGE NET PROFIT OF THE COMPANY AS PER SECTION 135(5):

Sr. No.	Particulars	Net Profit (Rs. in lacs)
1	For financial year 2023-24	13,217.34
2	For financial year 2022-23	3,949.85
3	For financial year 2021-22	2,654.18
4	<b>Total (1+2+3)</b>	<b>19,821.37</b>
5	<b>Average Net Profits ( Rs. 19,821.37 /3)</b>	<b>6,607.12</b>
6	<b>Prescribed CSR expenditure (being 2% of the average net profits as stated in point 5 above)</b>	<b>132.14</b>

b. Two percent of average net profit of the Company as per Section 135(5): Rs. 132.14 Lacs

c. Surplus arising out of the CSR projects or programs or activities of the previous financial years:



**ANNEXURE III (CONTD.)**

Sr. No.	Particulars	Amount (Rs. in lacs)
1	Extra Spent during 2023-24	15.52
2	CSR Liability for 2024-25	132.14
3	Balance to be spent during 2024-25 (2-1)	116.62
4	Actual CSR Expenditure during 2024-25	86.91
5	Extra Spent during 2024-25 (4-3)	(29.71)

d. Amount required to be set-off for the financial year, if any: Rs. 15.52 Lacs

e. Total CSR obligation for the financial year: Rs. 132.14 Lacs

6. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (Rs in Lacs.)	Amount Unspent ( Rs. in Lacs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Name of the Fund	Date of transfer
86.91	29.71	29-04-2025	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the project	Item from the list of Activities in Schedule VII to the Act	Local area (Yes / No)	Location of the project State District	Project duration	Amount allocated for the project (in Rs. Lacs)	Amount spent in the current financial Year (in Rs. Lacs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs Lacs)	Mode of Implementation Direct (Yes /No)	Mode of Implementation – Through Implementing Agency	
										Name	CSR registration
1.	Aftercare and Livelihood Program	ii	No	Throughout India	Ongoing	16.00	16.00	Nil	No	Catalysts for Social Action (CSA)	CSR00002803
2	Million Tree Project	iv	No	Andhra Pradesh and Karnataka	Ongoing	27.00	27.00	Nil	No	Says Tree	CSR00000702
3	Million Tree Project	iv	No	Maharashtra	Ongoing	15.00	15.00	Nil	No	Sanklap Taru	CSR00000590
4	Medical help for the poor and needy patients	i	Yes	Chandigarh	Ongoing	5.00	5.00	Nil	No	Heart Service Society of Inner Wheel Club	CSR00027173
5	Promoting Education and Vocational Training	ii	Yes	Chandigarh		1.50	1.50	Nil	No	Youth Technical Training Society	CSR00039889
6	Organ Donation	i	No	Throughout India		4.00	4.00	Nil	No	Mohan Foundation	CSR00001259
7	Lavatory Project	i	Yes	Chandigarh		0.83	0.83	Nil	No	KDDL Ethos Foundation	CSR00045992
8	Medical Help	i	Yes	Jhabua (Madhya Pradesh)		5.00	5.00	Nil	No	Rotary YNR Charitable Society	CSR00035150
<b>TOTAL</b>						<b>74.33</b>	<b>74.33</b>	<b>Nil</b>			

## ANNEXURE III (CONTD.)

## (c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)s	Location of the project		Amount spent for the project (Rs.in Lacs)	Mode of implementation – Direct (Yes/ No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR registration
1	Traditional Art and Handicrafts	v	No	Delhi		7.58	No	KDDL Ethos Foundation	CSR00045992
2	Distribution of Active Wheelchairs and supporting long term sports training needs of the underprivileged candidates	i	No	Delhi		5.00	No	KDDL Ethos Foundation	CSR00045992
<b>TOTAL</b>						<b>12.58</b>			

(d) Amount spent in administrative overheads: Nil

(e) Amount spent on impact assessment, if applicable: Not applicable

(f) Total amount spent for the financial year (6b+6c+6d+6e): Rs. 86.91 Lacs

(g) Details of excess amount for set-off are as follows: Nil

## 7. DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS: Nil

## 8. WHETHER ANY CAPITAL ASSETS HAVE BEEN ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR: Not Applicable

9. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PERCENT OF THE AVERAGE NET PROFIT AS PER SECTION 135(5): The Company places high importance on ensuring that CSR initiatives are not only compliant but also genuinely impactful and sustainable. Certain CSR projects required more time for evaluation, partner selection, and implementation planning, resulting in unspent funds during the reporting year. The unspent amount has been transferred to the 'Unspent CSR Account' within 30 days of the end of the financial year. The Company is actively taking necessary steps to ensure that the unspent CSR funds are fully utilised towards approved projects within the financial year 2025–26.

For and on behalf of the Board of Directors

**R.K Saboo**

Chairperson of CSR Committee

Place: Chandigarh

Date: 19<sup>th</sup> May, 2025**Yashovardhan Saboo**

Chairman &amp; Managing Director

DIN: 00012158

## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

(Business Responsibility and Sustainability Reporting (BRSR) is the practice of companies disclosing information about their environmental, social, and governance (ESG) performance. It goes beyond financial reporting to provide stakeholders with a comprehensive view of a company's non-financial impacts and contributions to sustainable development. BRSR covers topics such as environmental impact, social responsibility, and governance practices, aiming to promote transparency and accountability.)

#### SECTION A: GENERAL DISCLOSURES

##### I. Details of the listed entity

Sr. No.	Particulars	FY 2024-25
1	Corporate Identity Number (CIN) of the Listed Entity	L33302HP1981PLC008123
2	Name of the Listed Entity	KDDL Limited
3	Year of incorporation	08/01/1981
4	Registered office ad-dress	Plot No.3, Sector III, Parwanoo, Himachal Pradesh173220
5	Corporate address	Kamla Centre, SCO 88-89, Sector 8C, Madhya Marg, Chandigarh- 160009
6	E-mail	investor.complaints@kddl.com
7	Telephone	0172- 2548223/24
8	Website	http://www.kddl.com
9	Financial year for which reporting is being done	FY 2024-25
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11	Paid-up Capital	Rs. 12,29,92,800
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Deepika Gulati Email ID: deepika.gulati@kddl.com Telephone No.: 0172- 2548223/24 Website: www.kddl.com
13	Reporting boundary- Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consol-idated basis (i.e. for the entity and all the entities which form a part of its consolidat-ed financial state-ments, taken togeth-er)	Standalone Basis
14	Name of assurance provider	NA
15	Type of assurance obtained	NA

##### II. Products/services

#### 16. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Ac-tivity	Description of Business Activity	% of Turnover of the entity
1	Watch Components Group	Watch Dials,watch hands, & watch bracelet	52%
2	Precision Engineering	Precision engineering components and press tools	38%
3	Packaging Business	Manufacturing Of Packaging Boxes for watches, jewellery, lifestyle & writing instruments	3%

## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

#### 17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover Contributed
1	Watch Dials & watch hands	26521	52%
2	Components & Press tools	26101	38%
3	Packaging Products	16231	3%

### III. Operations

#### 18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	9	1	10
International	0	1	1

#### 19. Markets served by the entity:

##### a. Number of locations

Locations	Number
National (No. of States)	15
International (No. of Countries)	20

##### b. What is the contribution of exports as a percentage of the total turnover of the entity?

66%

##### c. A brief on types of customers

KDDL is a leading Indian company that focuses on manufacturing watch components, precision-stamped components, and progressive tools used in diverse engineering applications. The company produces watch dials, hands, bracelets, and indexes for global watch brands. Its Precision Engineering division caters to industries such as aerospace, electronics, automotive, consumer durables and alternate energy. Furthermore, KDDL's packaging division provides packaging boxes for the watch, Jewellery, and writing instrument sectors

### IV. Employees

#### 20. Details as at the end of Financial Year:

##### a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	607	569	93.7%	38	6.3%
2.	Other than Permanent (E)	7	6	85.7%	1	14.3%
3.	Total employees (D + E)	614	575	93.6%	39	6.4%
WORKERS						
4.	Permanent (F)	871	715	82.1%	156	17.9%
5.	Other than Permanent (G)	963	561	58.3%	402	41.7%
6.	Total workers (F + G)	1,834	1,276	69.6%	558	30.4%

**ANNEXURE IV**  
**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)**
**b. Differently abled Employees and workers**

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	%(C / A)
DIFFERENTLY ABLED EMPLOYEES						
1	Permanent (D)	1	1	100%	0	0%
2	Other than Permanent (E)	0	0	0%	0	0%
3	Total differently abled employees (D + E)	1	1	100%	0	0%
DIFFERENTLY ABLED WORKERS						
4	Permanent (F)	3	2	66.7%	1	33.3%
5	Other than Permanent (E)	3	1	33.3%	2	66.7%
6	Total differently abled workers (F + G)	6	3	50.0%	3	50.0%

**21. Participation/Inclusion/Representation of women**

Particular	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	2	25%
Key Management Personnel	3	0	0%

**22. Turnover rate for permanent employees and workers**

Particular	FY 2024-25 (Turnover rate in current FY)			FY 2023-24 (Turnover rate in previous FY)			FY 2022-23 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	12.6%	12.7%	12.6%	10.3%	22.2%	10.8%	12.5%	5.6%	12.3%
Permanent Workers	19.1%	18.3%	19.0%	20.2%	20.6%	20.3%	10.2%	7.0%	8.8%

**V. Holding, Subsidiary and Associate Companies (including joint ventures)**
**23. (a) Names of holding / subsidiary / associate companies / joint ventures**

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business responsibility initiatives of the listed entity? (Yes/No)
1	Pylania S.A.	Subsidiary	100.0%	No
2	Kamla International Holdings AG	Subsidiary	100.0%	No
3	Ethos Limited	Subsidiary	50.1%	Yes*
4	Mahen Distribution Limited	Subsidiary	100.0%	No
5	Estima AG	Subsidiary	100.0%	No
6	Cognition Digital LLP	Subsidiary	99.9%	No
7	Kamla Tesio Dials Limited	Subsidiary	99.9%	No
8	Silvercity Brands	Subsidiary	93.1%	No
9	Pasadena Retail Private Limited	Associate	50.0%	No
10	Artisan Watch Products Private Limited	Subsidiary	80.0%	No

\*Since Ethos Limited is a listed entity, it follows its own BRSR initiatives.



## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

#### VI. CSR Details

##### 24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)

Yes

a. Turnover (in Rs.)	3,69,56,82,294
b. Net worth (in Rs.)	3,31,24,61,837

#### VII. Transparency and Disclosures Compliance

##### 25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is re-ceived	Grievance Redressal Mecha-nism in Place (Yes/No) *	FY 2024-25			FY 2023-24		
		Current Financial Year			Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	Nil	0	0	Nil
Investors (oth-er than share-holders)	Yes	4	0	Nil	4	0	Nil
Shareholders	Yes	0	0	Nil	0	0	Nil
Employees and workers	Yes	0	0	Nil	0	0	Nil
Customers	Yes	0	0	Nil	0	0	Nil
Value Chain Partners	Yes	0	0	Nil	0	0	Nil
Other (please specify)	NA	NA	NA	NA	NA	NA	NA

\* Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)

Stakeholder group from whom complaint is received	Web Link for Grievance Policy
Communities	<a href="https://www.kddl.com/wp-content/uploads/PDF/KDDL%20Policy%20Manual.pdf">https://www.kddl.com/wp-content/uploads/PDF/KDDL%20Policy%20Manual.pdf</a>
Investors (other than shareholders)	<a href="https://www.kddl.com/wp-content/uploads/PDF/KDDL%20Policy%20Manual.pdf">https://www.kddl.com/wp-content/uploads/PDF/KDDL%20Policy%20Manual.pdf</a>
Shareholders	<a href="https://www.kddl.com/wp-content/uploads/PDF/KDDL%20Policy%20Manual.pdf">https://www.kddl.com/wp-content/uploads/PDF/KDDL%20Policy%20Manual.pdf</a>
Employees and workers	<a href="https://www.kddl.com/wp-content/uploads/PDF/KDDL%20Policy%20Manual.pdf">https://www.kddl.com/wp-content/uploads/PDF/KDDL%20Policy%20Manual.pdf</a>
Customers	<a href="https://www.kddl.com/wp-content/uploads/PDF/KDDL%20Policy%20Manual.pdf">https://www.kddl.com/wp-content/uploads/PDF/KDDL%20Policy%20Manual.pdf</a>
Value Chain Partners	<a href="https://www.kddl.com/wp-content/uploads/PDF/KDDL%20Policy%20Manual.pdf">https://www.kddl.com/wp-content/uploads/PDF/KDDL%20Policy%20Manual.pdf</a>
Other (please specify)	-

## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

#### 26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Emissions & Energy management	R	Emissions and energy management are critical for manufacturing companies. By effectively managing emissions and energy usage, companies can reduce their environmental footprint, comply with regulations, improve operational efficiency, minimise costs, and demonstrate a commitment to sustainability. Proactive management of emissions and energy contributes to a greener and more responsible manufacturing industry.	KDDL has implemented structured policies and procedures to regularly track energy use and emissions, focusing on identifying key areas requiring improvement. The company encourages the adoption of renewable energy sources, including solar and wind, to help lower and compensate for greenhouse gas (GHG) emissions. Emission tracking systems are in place to monitor significant emission contributors.	Negative
2	Water Management	R	Water management is essential for manufacturers to ensure responsible use of water resources, reduce environmental impact, and mitigate operational risks. Efficient water management practices conserve water, minimise water-related costs, comply with regulations, protect ecosystems, and enhance sustainability, demonstrating corporate responsibility and long-term viability.	KDDL is committed to effective water conservation by minimising freshwater usage. The company has installed effluent treatment plants (ETPs) to treat wastewater, which is then reused for gardening, industrial processes, and production activities. Regular assessments and monitoring of water consumption are conducted to pinpoint high-usage areas and explore reduction strategies. Presently, Zero Liquid Discharge (ZLD) systems are operational at three KDDL facilities.	Negative
3	Waste Management	R	Effective waste management is crucial for a manufacturing company as it minimises environmental impact, ensures regulatory compliance, reduces operational costs, and enhances sustainability. Proper waste management practices promote resource efficiency, mitigate potential health and environmental risks, and demonstrate corporate responsibility.	KDDL ensures that robust policies and procedures guide the proper handling, storage, and disposal of waste. Waste is managed responsibly through safe storage and disposal by authorised third-party vendors. The company also promotes waste reduction and reuse methods to decrease reliance on virgin raw materials.	Negative

## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Training and skill improvement	O	Training and skill improvement are crucial for individuals and organisations as they enhance performance, productivity, and adaptability. Continuous learning allows employees to gain new knowledge, refine existing skills, and stay current with industry advancements, leading to improved job satisfaction, career growth, and organisational success in a rapidly changing business environment.	NA	Positive
5	Customer Satisfaction	R	Customer satisfaction is crucial for a watch component and precision engineering company as it directly affects reputation, customer loyalty, and business growth. Satisfied customers contribute to positive word-of-mouth marketing and drive repeat purchases, ensuring a strong market presence and continued success in a competitive industry.	Customers play a vital role in KDDL's sustainable success. The company maintains high standards of product quality, focuses on innovation, ensures timely deliveries, and offers competitive pricing to fulfill customer needs. Two-way communication channels are in place to boost engagement, enhance brand loyalty, and maintain transparency. A system for capturing and acting on customer feedback helps improve product offerings.	Negative
6	Occupational Health and Safety	R	Occupational health and safety are critical for a manufacturing company as they protect employees from workplace hazards, reduce the risk of accidents and injuries, improve productivity, and ensure legal compliance. Prioritising health and safety foster a positive work environment and safeguards the company's reputation.	KDDL has well-defined policies and procedures to assess risks and hazards across its operations, with strong measures to mitigate them. Routine safety audits and health monitoring are conducted to close any gaps in workplace safety. Employees are provided with appropriate personal protective equipment (PPE), and on-site health clinics are available for immediate medical attention. The company also conducts safety training and awareness programs to foster a safety-first culture and encourage employees to report any safety concerns.	Negative

**ANNEXURE IV**  
**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)**

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Innovation Management and resource efficiency	O	Innovation enhances product and service offerings to better align with customer needs, thereby boosting customer satisfaction. It also fosters the development of new products and services, creating additional revenue opportunities for the company. Companies that prioritise innovation gain a competitive advantage and increase their market share. Operational efficiency focuses on achieving more with fewer resources, such as reducing energy consumption, increasing yield, and optimising equipment utilisation, ultimately maximising overall effectiveness.	NA	Positive
8	Supply Chain Management	O	Supply chain management is critical for manufacturers as it ensures the smooth flow of materials, reduces costs, improves operational efficiency, and enhances customer satisfaction. Effective supply chain management enables timely production, minimises inventory risks, optimises logistics, fosters supplier relationships, and allows companies to meet market demand efficiently and effectively.	NA	Positive
9	Corporate Governance	R	Corporate governance is essential for any company as it ensures transparency, accountability, and ethical decision-making. It establishes a framework that guides management behavior, protects shareholder interests, promotes long-term sustainability, and enhances investor confidence. Effective corporate governance is fundamental for organisational success and stakeholder trust.	KDDL upholds strong corporate governance through established policies that promote ethical conduct, transparency, defined roles and responsibilities, risk management, and accountability in decision-making. The company is committed to continuous improvement through regular oversight, independent audits, and board-level supervision, ensuring that operations are managed sustainably and risks are effectively mitigated.	Negative

## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

#### SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Sr. No	Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>										
1. a	Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No/NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b	Has the policy been approved by the Board? (Yes/No/NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c	Web Link of the Policies, if available	<a href="https://www.kddl.com/codes-and-policies/">https://www.kddl.com/codes-and-policies/</a>								
2	Whether the entity has translated the policy into procedures. (Yes / No/ NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Do the enlisted policies extend to your value chain partners? (Yes/No/NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	SEDEX	AS 9100D:2016, ISO 9001:2015, IATF 16949:2016	ISO 45001:2018, SEDEX, SA 8000:2014	-	-	FSC- STD-40-004, FSC- STD-50-001, FSC- STD-40-003, ISO 14001:2015, Eco-Vadis, SEDEX	-	-	-
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>At KDDL, our commitment to sustainability and environmental stewardship remains a core aspect of our corporate philosophy. We continue to integrate responsible practices across our operations, aligning with national priorities on environmental conservation and social development.</p> <p>One of our flagship environmental initiatives, The Million Tree Project, reflects our long-term commitment to ecological restoration. Through this initiative, KDDL— with its subsidiaries and associate companies—has pledged to collaborate with credible implementation partners to plant and nurture one Million trees across degraded regions of India by 2030.</p> <p>In addition to our environmental efforts, KDDL is actively engaged in a range of social responsibility initiatives aimed at enhancing community well-being. These include:</p> <ul style="list-style-type: none"> <li>• Provision of medical assistance to underprivileged patients, ensuring access to essential treatment.</li> <li>• Promoting Education and Vocational Training</li> <li>• Helping Hand to Underserved People with Disabilities</li> <li>• Aftercare and Livelihood Program</li> <li>• Promotion of Indian Culture</li> </ul> <p>These initiatives collectively address critical areas such as child health, education, access to basic necessities, and sustainable livelihoods. As a responsible corporate entity, KDDL remains committed to making a measurable and lasting impact on both environmental and social fronts.</p>								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	<p>KDDL continues to contribute to advancing its environmental and social responsibility objectives. Our initiatives have delivered a measurable impact, contributing positively to ecological restoration and socio-economic development.</p> <p>As part of The Million Tree Project, we have successfully planted 3,76,707 saplings till 31.03.2025. This achievement reflects our ongoing commitment to environmental sustainability and underscores the progress we are making toward our target of planting one million trees by 2030.</p>								



**ANNEXURE IV  
BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)****Governance, leadership and oversight****7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)**

KDDL Limited, a prominent Indian manufacturer of high-quality watch components, precision stamped parts, and progressive tools, is firmly committed to Environmental, Social, and Governance (ESG) principles as part of its strategy for sustainable long-term value creation.

While challenges such as responsible material sourcing and managing socio-environmental impacts across the value chain persist, KDDL continues to uphold its commitment to sustainability, social responsibility, and strong governance practices. The Company maintains high standards of corporate governance through an independent and diverse Board, robust ethical policies, and a well-established whistle-blower mechanism.

KDDL fosters a culture of inclusivity, collaboration, and continuous development by prioritising employee well-being, offering regular feedback mechanisms, and implementing engagement initiatives that promote a healthy and productive work environment.

Key sustainability initiatives include:

- A pledge to plant and nurture one million trees across India by 2030 as part of The Million Tree Project
- Provision of medical assistance to underprivileged patients, ensuring access to essential treatment.
- Promoting Education and Vocational Training
- Helping Hand to Underserved People with Disabilities
- Aftercare and Livelihood Program
- Promotion of Indian Culture.

**8 Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).**

The highest authority responsible is Chairman & Managing Director, Mr. Yashovardhan Saboo. Along with CMD, the Senior Management is responsible for the oversight and implementation of Business Responsibility policies.

**9 Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No/ NA).**

No

**If Yes please provide details**

NA

## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

#### 10. Details of Review of NGRBCs by the Company

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/Any other Committee								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
a. Performance against above policies and follow up action	Director								
b. Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Director								

Subject for Review	Frequency (Annually / Half yearly /Quarterly/ Any other-please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
a. Performance against above policies and follow up action	Annually								
b. Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Quarterly								

#### 11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

Yes	Yes	Yes	No	No	Yes	No	No	No
Bureau Veritas	TUV SUD South Asia Private Limited and Bureau Veritas	Bureau Veritas, TUV NORD CERT GmbH	-	-	TUV SUD South Asia Private Limited, Bureau Veritas, Forest Stewardship Council and Eco-Vadis	-	-	-

#### 12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

#### SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

##### **PRINCIPLE 1** Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

(This principle focuses on the importance of ethical conduct and transparency in business operations. Companies should follow ethical business practices and adhere to high standards of integrity. They should also be transparent about their activities, operations, and financial reporting, as well as be accountable for their actions)

##### Essential Indicators

##### 1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	4	Presentations on Business Strategies, Risk Assessments, Financial Budgets and Key focus areas of each Business Stream & Internal Controls	100%
Key Managerial Personnel	4	Risk Assessment and Business Strategies	100%
Employees other than BOD and KMPs	258	Leadership and Soft Skills Development Technical and Engineering Skills Quality Management & Problem-Solving Techniques	78.1%
Workers	276	Safety, Environmental, and Compliance Training Technical and Process Control Safety, Compliance, and Environmental Management Quality Management Systems Machine Operations and Maintenance	97.1%

##### 2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format

Monetary					
Particular	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In Rs.)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NA	NA	NA	NA	NA
Settlement	NA	NA	NA	NA	NA
Compounding fee	NA	NA	NA	NA	NA

Non-Monetary				
Particular	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment Punishment		NA		

##### 3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	NA

##### 4. Does the entity have anti-corruption or anti-bribery policy? (Yes/ No). If Yes, provide details in brief.

Yes

KDDL's Code of Conduct underscores the importance of integrity, ethical behavior, and compliance with regulations in all business operations. It ensures that the company upholds both legal requirements and its internal ethical principles. Bribery is strictly forbidden across all transactions, with systems in place to prevent and identify any unauthorised payments. Furthermore, KDDL adheres to anti-

## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

money laundering and counter-terrorism financing laws, with a protocol for promptly reporting unaccounted cash or any suspicious financial activities.

If Yes, Provide a web link to the policy, if available-Web link anti-corruption or anti bribery policy is place

[https://www.kddl.com/wp-content/uploads/PDF/corporate/KDDL\\_Model\\_Code\\_of\\_Conduct.pdf](https://www.kddl.com/wp-content/uploads/PDF/corporate/KDDL_Model_Code_of_Conduct.pdf)

#### 5. Number of Directors/ KMPs/ employees/ workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Particular	FY 2024-25	FY 2023-24
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

#### 6. Details of complaints with regard to conflict of interest:

Case Details	FY 2024-25		FY 2023-24	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	Nil	0	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	Nil	0	Nil

#### 7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

No such incident has taken place in FY 2024-25.

#### 8. Number of days of accounts payables in the following format:

Particular	FY 2024-25	FY 2023-24
Number of days of accounts payables	37	40

#### 9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	7.7%	0%
	b. Number of trading houses where purchases are made from	23	0
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	97.9%	0%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	0%	0%
	b. Number of dealers / distributors to whom sales are made	0	0
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	0%	0%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.3%	0.4%
	b. Sales (Sales to related parties / Total Sales)	4.6%	4.7%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	92.5%	85.0%
	d. Investments	99.7%	99.6%

## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

#### Leadership Indicators

##### 1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	Percentage of value chain partners covered (by value of business done with such partners) under the awareness programmes
8	Ethics & Code of Conduct	65%
8	Prevention of Sexual Harassment	65%

##### 2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No)

If Yes, provide details of the same.

Yes

In alignment with SEBI's Listing Obligations and Disclosure Requirements (LODR), the Company has implemented a Code of Conduct and a Related Party Transactions policy. These frameworks define the procedures and controls in place to effectively manage and address conflicts of interest involving members of the Board.

<https://www.kddl.com/codes-and-policies/>

#### PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe.

(This principle highlights the importance of sustainable and safe production practices. Companies should strive to minimise the environmental impact of their activities and ensure that their products and services are safe for consumers and the environment.)

#### Essential Indicator

##### 1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Sr. No.	Particular	FY 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
1	R&D	0%	0%	Nil
2	Capex	0%	3.3%	Nil

Note - The company has revised its calculation methodology to better align with best practices, resulting in an updated figure for the prior year.

##### 2 a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes

##### b. If yes, what percentage of inputs were sourced sustainably?

20%

##### 3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for

(a)	Plastics (including packaging)	The Company follows processes in line with EPR, demonstrating its commitment to reducing its environmental footprint and adhering to sustainable practices throughout its operations.
(b)	E-waste	NA
(c)	Hazardous waste	NA
(d)	other waste	NA

##### 4. a Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No)

Yes



## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

- b If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards?**

Yes

- c If not, provide steps taken to address the same**

NA

#### PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains.

(This principle emphasises the importance of employee well-being. Companies should provide safe and healthy working conditions, fair wages, and opportunities for career development to all employees in their value chains, including suppliers, contractors, and temporary workers.)

#### Essential Indicators

##### 1 a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent employees											
Male	569	569	100%	569	100%	NA	NA	569	100%	569	100%
Female	38	38	100%	38	100%	38	100%	NA	NA	38	100%
Total	607	607	100%	607	100%	38	100%	569	100%	607	100%
Other than Permanent employees											
Male	6	6	100%	6	100%	NA	NA	6	100%	6	100%
Female	1	1	100%	1	100%	1	100%	NA	NA	1	100%
Total	7	7	100%	7	100%	1	100%	6	100%	7	100%

##### 1 b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent workers											
Male	715	715	100%	715	100%	NA	NA	715	100%	715	100%
Female	156	156	100%	156	100%	156	100%	NA	NA	156	100%
Total	871	871	100%	871	100%	156	100%	715	100%	871	100%
Other than Permanent workers											
Male	561	561	100%	561	100%	NA	NA	561	100%	561	100%
Female	402	402	100%	402	100%	402	100%	NA	NA	402	100%
Total	963	963	100%	963	100%	402	100%	561	100%	963	100%

##### 1 c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format.

Particular	FY 2024-25	FY 2023-24
Cost incurred on well- being measures as a % of total revenue of the company	2.0%	1.9%

## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

#### 2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2024-25			FY 2023-24		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	100%	100%	Yes	100%	100%	Yes
Others – please specify	NA	NA	NA	NA	NA	NA

#### 3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

If not, whether any steps are being taken by the entity in this regard.

KDDL is dedicated to fostering an inclusive and discrimination-free workplace, where all forms of bias—including those related to disabilities—are not tolerated. The company ensures equal opportunities for everyone and is actively enhancing its infrastructure to accommodate individuals with disabilities, providing them with the necessary support to perform their daily tasks comfortably and with dignity.

#### 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016?

Yes

If so, provide a web-link to the policy.

Aligned with KDDL's Model Code of Conduct, the company upholds the principles of fairness and equal treatment for all. Discrimination of any kind—whether based on race, caste, religion, colour, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic background, or disability—is strictly prohibited.

[https://www.kddl.com/wp-content/uploads/PDF/corporate/KDDL\\_Model\\_Code\\_of\\_Conduct.pdf](https://www.kddl.com/wp-content/uploads/PDF/corporate/KDDL_Model_Code_of_Conduct.pdf)

#### 5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	0%	0%	0%	0%
Female	0%	0%	0%	0%
Total	0%	0%	0%	0%

## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Category	Yes/No	If Yes, then give details of the mechanism in brief
Permanent Workers	Yes	<p>KDDL provides both permanent and temporary employees with accessible avenues to raise their concerns through the HR &amp; Admin department of their respective units. This framework empowers employees to express grievances and seek resolution through established organisational processes.</p> <p>Additional grievance redressal mechanisms include:</p> <ul style="list-style-type: none"> <li>Employee Suggestion Boxes</li> <li>Whistleblower Policy</li> <li>Anonymous Complaint Processes</li> <li>Town Hall Meetings</li> <li>Monthly Assembly Meetings</li> <li>Direct Communication with HR (written or verbal)</li> <li>Open House Feedback/Review Sessions for all employees</li> </ul> <p>The management is committed to handling all grievances with seriousness, ensuring timely and appropriate responses. These mechanisms are intended to supplement—not replace—any legal or collective agreement-based channels. The goal is to cultivate a safe, healthy, and supportive work environment, enabling the effective resolution of various concerns.</p> <p>By implementing diverse communication methods, KDDL ensures employees feel comfortable voicing their issues. This multi-channel approach promotes transparency and openness, reinforcing a culture where all concerns are acknowledged and addressed efficiently.</p>
Other than Permanent Workers		
Permanent Employees		
Other than Permanent Employees		

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2024-25			FY 2023-24		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C.)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent employees	607	0	0%	537	0	0%
Male	569	0	0%	513	0	0%
Female	38	0	0%	24	0	0%
Total Permanent Workers	871	318	36.5%	822	293	35.7%
Male	715	293	41.0%	676	270	39.9%
Female	156	25	16.0%	146	23	15.7%

## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

#### 8. Details of training given to employees and workers:

Category	FY 2024-25					FY 2023-24				
	Total (A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	569	477	83.8%	20	3.5%	513	304	59.3%	55	10.72%
Female	38	19	50.0%	0	0%	24	11	45.8%	7	29.17%
Total	607	496	81.7%	20	3.3%	537	315	58.7%	62	11.55%
Workers										
Male	715	557	77.9%	412	57.6%	676	389	57.5%	150	22.2%
Female	156	138	88.5%	105	67.3%	146	77	52.7%	29	19.9%
Total	871	695	79.8%	517	59.4%	822	466	56.7%	179	21.8%

#### 9. Details of performance and career development reviews of employees and worker:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B / A)	Total (D)	No. (E)	% (E / D)
<b>Employees</b>						
Male	569	569	100%	513	513	100%
Female	38	38	100%	24	24	100%
<b>Total</b>	<b>607</b>	<b>607</b>	<b>100%</b>	<b>537</b>	<b>537</b>	<b>100%</b>
<b>Workers</b>						
Male	715	669	93.6%	676	637	94.2%
Female	156	142	91.0%	146	115	78.7%
<b>Total</b>	<b>871</b>	<b>811</b>	<b>93.1%</b>	<b>822</b>	<b>752</b>	<b>91.4%</b>

#### 10. Health and safety management system

##### a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No)

If Yes, the Coverage such systems?

Yes

At KDDL, employee health and safety are of utmost importance. Our facilities are certified under SEDEX and ISO 45001 standards, which encompass Occupational Health and Safety (OHS) practices. Recognising employees as key stakeholders, we ensure full compliance with these standards across all our plants and operations.

##### b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

To effectively identify and mitigate safety hazards and risks, KDDL follows rigorous procedures in line with the ISO 45001:2018 standard, implemented at the majority of our facilities. This globally recognised standard offers a strong framework for managing occupational health and safety. We also utilise Hazard Identification and Risk Assessment (HIRA) tools to methodically detect potential hazards for routine work and job safety assessment is carried out to evaluate risks for non-routine work, and apply suitable control measures. Through these practices, we reinforce our commitment to maintaining a safe work environment and minimising incidents.

##### c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks? (Yes/ No)

Yes

##### d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes

## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

#### 11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked)	Employees	0	0
	Workers	0	2.23
Total recordable work-related injuries	Employees	0	0
	Workers	0	3
No. of fatalities	Employees	0	0
	Workers	0	0
High-consequence work-related injury or ill health (excluding fatalities)	Employees	0	0
	Workers	0	0

\*Including in the contract workforce

#### 12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

To enhance safety standards and minimise risks, the organisation has implemented a comprehensive safety framework that includes several key components. Safety policies and procedures are regularly reviewed and updated to align with industry best practices and regulatory requirements. Employee training and education programs are conducted to ensure that all personnel are equipped with the knowledge and skills to recognise and address potential hazards. Routine safety inspections and audits are carried out to assess compliance with safety protocols and identify areas for improvement. Risk assessments are systematically conducted to evaluate potential hazards and implement effective management strategies to mitigate them. Health and wellness programs are designed to support the well-being of employees, promoting a healthy work environment. Emergency preparedness and response plans are in place to ensure quick and effective action in the event of a safety incident. Safety equipment and facilities are continuously upgraded to provide a safe and secure working environment. Additionally, employee engagement and communication initiatives are promoted to foster a culture of safety and ensure that employees are actively involved in safety practices and feedback.

#### 13. Number of Complaints on the following made by employees and workers:

Particulars	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	Nil	0	0	Nil
Health & Safety	0	0	Nil	0	0	Nil

#### 14. Assessment for the year:

Particulars	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

#### 15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/ concerns arising from assessments of health & safety practices and working conditions.

In response to safety-related incidents and significant risks identified through assessments of health and safety practices and working conditions, corrective actions have been implemented across multiple areas. Incident investigations are conducted thoroughly to identify root causes and ensure that appropriate corrective measures are taken to prevent recurrence. Ongoing safety training and awareness programs are being provided to all employees to reinforce safe working practices and improve overall safety culture. Additionally, safety equipment and facilities are regularly upgraded to meet the latest standards and provide a secure working environment. Policy and procedure reviews are carried out periodically to ensure compliance with regulatory requirements and to address any gaps in safety protocols. Furthermore, active employee engagement and consultation are encouraged to foster a collaborative approach to identifying and mitigating potential risks, ensuring a safer workplace for all.



## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

#### Leadership Indicators

- Does the entity extend any life insurance or any compensatory package in the event of death of

(A) Employees (Y/N): Yes

(B) Workers (Y/N): Yes

- Details on assessment of value chain partners:

Particulars	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%

- Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No such risk or concern has been found during the assessment.

#### PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.

(This principle highlights the importance of stakeholder engagement. Companies should consider the interests and perspectives of all stakeholders, including shareholders, employees, customers, suppliers, and the communities in which they operate. They should also be responsive to stakeholder concerns and feedback.)

#### Essential Indicators

- Describe the processes for identifying key stakeholder groups of the entity.

KDDL, with active involvement from senior management, the board of directors, and various departments, has carried out a comprehensive stakeholder identification exercise. This initiative focused on recognising individuals and groups who are either affected by or have an influence on the Company's operations. Identified stakeholders include both internal and external parties such as employees, investors, regulatory bodies, vendors, customers, dealers, financial institutions, and the broader community. The Company expresses its gratitude to all stakeholders for their continued support in achieving strategic goals. Valuing stakeholder input, KDDL is committed to nurturing strong relationships through consistent engagement and dialogue to better understand and meet their expectations.

Identified Stakeholders:

- Shareholders and Lenders
- Employees and Workers
- Suppliers and Vendors
- Local Community
- Government and Regulators
- Customers

## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

#### 2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other- Please Specify)	Frequency of engagement (Annually, Half-yearly, Quarterly, others- Please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders, Lenders	No	<ul style="list-style-type: none"> <li>Email</li> <li>Investor meetings/calls</li> <li>General meetings</li> <li>Website</li> </ul>	On a regular basis	KDDL regularly tracks its performance to ensure alignment with quarterly compliance requirements and manages day-to-day operations efficiently.
Employees and workers	No	<ul style="list-style-type: none"> <li>Email</li> <li>Townhall meetings</li> <li>Physical interaction</li> <li>Monthly assembly meeting</li> <li>Award functions</li> <li>Recognition programmes</li> <li>Engagement activities</li> <li>Quarterly review meetings</li> </ul>	On a regular basis	To foster alignment, motivation, and professional development within the organisation, KDDL ensures effective communication of work objectives, conducts motivational initiatives, organises regular review meetings, and seeks to understand employees' career aspirations, promoting a supportive and goal-driven environment.
Suppliers and Vendors	No	<ul style="list-style-type: none"> <li>Email</li> <li>Physical meetings</li> <li>Telephonic discussions</li> </ul>	On a regular basis	KDDL strengthens its supply chain management by maintaining collaborative and reliable relationships with suppliers and vendors. This approach enhances the movement of goods and services, resulting in improved efficiency and greater customer satisfaction.
Local community	No	Interaction through a Company representative	On a regular basis	By understanding the needs of local communities and working proactively to address them, KDDL builds meaningful relationships and fosters collaboration that contributes to community development.

#### ANNEXURE IV

#### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website, Other- Please Specify)	Frequency of engagement (Annually, Half-yearly, Quarterly, others- Please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Government and regulators	No	Official correspondence	On a regular basis	KDDL ensures adherence to government regulations by following issued circulars and seeking clarifications when necessary. Maintaining strong ties with government agencies enables transparent and seamless operations while ensuring legal compliance.
Customers	No	<ul style="list-style-type: none"> <li>Email</li> <li>Roadshows</li> <li>Local and international trade fairs</li> <li>Customer visits</li> <li>Physical meetings</li> <li>Telephonic discussions</li> <li>Social Media</li> </ul>	On a regular basis	KDDL remains attentive to customer needs by monitoring market trends, evaluating product demand, and addressing any issues related to quality or delivery. Ongoing communication helps the Company enhance its offerings, ensuring high levels of customer satisfaction and loyalty.

#### PRINCIPLE 5 Businesses should respect and promote human rights.

(This principle focuses on the importance of human rights. Companies should respect and promote human rights, including the rights to freedom of expression, association, and privacy. They should also prevent and address human rights violations in their operations and value chains.)

#### 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
<b>Employees</b>						
Permanent	607	607	100%	537	537	100%
Other than permanent	7	7	100%	4	4	100%
<b>Total Employees</b>	<b>614</b>	<b>614</b>	<b>100%</b>	<b>541</b>	<b>541</b>	<b>100%</b>
<b>Workers</b>						
Permanent	871	871	100%	822	822	100%
Other than permanent	963	963	100%	919	919	100%
<b>Total Workers</b>	<b>1,834</b>	<b>1,834</b>	<b>100%</b>	<b>1,741</b>	<b>1,741</b>	<b>100%</b>

## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

#### 2. Details of minimum wages paid to employees and workers

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	569	0	0%	569	100%	513	0	0%	513	100%
Female	38	0	0%	38	100%	24	0	0%	24	100%
Total	607	0	0%	607	100%	537	0	0%	537	100%
Other than Permanent										
Male	6	0	0%	6	100%	2	0	0%	2	100%
Female	1	0	0%	1	100%	2	0	0%	2	100%
Total	7	0	0%	7	100%	4	0	0%	4	100%
Workers										
Permanent										
Male	715	70	9.8%	645	90.2%	676	77	11.4%	599	88.6%
Female	156	16	10.3%	140	89.7%	146	39	26.7%	107	73.3%
Total	871	86	9.9%	785	90.1%	822	116	14.1%	706	85.9%
Other than Permanent										
Male	561	561	100%	0	0%	539	515	95.6%	24	4.4%
Female	402	402	100%	0	0%	380	377	99.2%	3	0.8%
Total	963	963	100%	0	0%	919	892	97.1%	27	2.9%

#### 3. Details of remuneration/salary/wages

##### a. Median remuneration / wages:

Particular	Male		Female	
	Number	Median remuneration/ salary/ wages of the respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BOD)	2	4,07,55,515	0	0
Key Managerial Personnel	3	2,97,03,620	0	0
Employees other than BOD and KMP	569	8,01,596	38	6,59,214
Workers	715	3,74,809	156	2,48,696

##### b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

Particular	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages	6.8%	6.4%

#### 4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes

The management team, in collaboration with the Human Resources department for each unit, is responsible for addressing any human rights impacts or issues arising from or contributed to by the business.

#### 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

KDDL has established frameworks to address human rights concerns, including a Whistleblower Policy and a Prevention of Sexual Harassment (POSH) Policy. These policies enable employees to report any violations or issues related to human rights while ensuring confidentiality and safeguarding them from retaliation. Through these initiatives, KDDL demonstrates its commitment to maintaining a respectful, inclusive, and secure work environment that upholds human rights, integrity, and accountability.

**ANNEXURE IV**  
**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)**
**6. Number of Complaints on the following made by employees and workers:**

Particulars	FY 2024-25			FY 2023-24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	Nil	0	0	Nil
Discrimination at workplace	0	0	Nil	0	0	Nil
Child Labour	0	0	Nil	0	0	Nil
Forced Labour / Involuntary Labour	0	0	Nil	0	0	Nil
Wages	0	0	Nil	0	0	Nil
Other human rights related issues	0	0	Nil	0	0	Nil

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

Particulars	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0%	0%
Complaints on POSH upheld	0	0

**8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

KDDL is committed to upholding ethical standards and integrity, with clear procedures in place to protect individuals who report incidents of discrimination or harassment. Complaints are handled confidentially and are disclosed only to a limited group of stakeholders involved in resolution. The whistleblower policy outlines strict protocols to maintain confidentiality and protect complainants from any negative consequences, ensuring a secure and trustworthy reporting process.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes/No/NA)**

Yes

**10. Assessments for the year:**

Name of the Assessment	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	NA

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

No such significant risk or concern has been observed during the assessment.



## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

#### PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

(This principle emphasises the importance of environmental stewardship. Companies should minimise their impact on the environment, conserve natural resources, and promote environmental sustainability. They should also take steps to restore and rehabilitate degraded ecosystems.)

#### Essential Indicators

##### 1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2024-25 (in Giga Joules)	FY 2023-24 (in Giga Joules)
<b>From renewable sources</b>		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C.)	0	0
<b>Total energy consumed from renewable sources (A+B+C)</b>	0	0
<b>From non-renewable sources</b>		
Total electricity consumption (D)	25,380	21,586.4
Total fuel consumption (E)	2,716.4	3,798.3
Energy consumption through other sources (F)	0	0
<b>Total energy consumed from non-renewable sources (D+E+F)</b>	28,096.4	25,384.7
<b>Total energy consumed (A+B+C+D+E+F)</b>	28,096.4	25,384.7
Energy intensity per rupee of turnover [Total energy consumed (in GJ) / Revenue from operations (in rupees in Lacs)]	0.8	0.7
<b>Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b> [Total energy consumed (in GJ)/ Revenue from operations in rupees in Lacs adjusted for PPP]	15.7	14.6
<b>Energy intensity in terms of physical output</b> [Total energy consumed (in GJ) / Number of units produced in Lacs]	9.3	8.5
<b>Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?</b>		No
<b>If yes, name of the external agency.</b>	NA	

*Note - The revenue from operations has been adjusted for Purchasing Power Parity (PPP) using the latest PPP conversion factor published by the International Monetary Fund (IMF) for India for the year 2025, which is 20.66.*

##### 2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Yes/No)

No

**If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

NA

**ANNEXURE IV**  
**BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)**
**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2024-25	FY 2023-24
<b>Water withdrawal by source (in kilolitres)</b>		
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	43,192.1	43,309.2
(iii) Third party water	25,658.8	27,153.0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
<b>Total volume of water withdrawal (in kilolitres)</b>		
<b>(i + ii + iii + iv + v)</b>	68,850.7	70,462.2
<b>Total volume of water consumption (in kilolitres)</b>	59,245.7	63,749.2
<b>Water intensity per rupee of turnover</b>		
[Total water consumption (in KL) / Revenue from operations (rupees in Lacs)]	1.6	1.8
<b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b>		
[Total water consumption (in KL) / Revenue from operations in rupees in Lacs adjusted for PPP]	33.1	36.8
<b>Water intensity in terms of physical output</b>		
[Total water consumption (in KL) / Number of units produced in Lacs]	19.6	21.3
<b>Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Yes/No)</b>		No
<b>If yes, name of the external agency.</b>	NA	

*Note - Recycled water constitutes 43.8% of the total water withdrawal for FY 2024-25 and 33.3% for FY 2023-24*

**4. Provide the following details related to water discharged:**

Parameter	FY 2024-25	FY 2023-24
<b>Water discharge by destination and level of treatment (in kilolitres)</b>		
<b>(i) To Surface water</b>		
No treatment	0	0
With treatment – please specify level of treatment	3,025	0
<b>(ii) To Groundwater</b>		
No treatment	0	0
With treatment – please specify level of treatment	0	0
<b>(iii) To Seawater</b>		
No treatment	0	0
With treatment – please specify level of treatment	0	0
<b>(iv) Sent to third-parties</b>		
No treatment	7,333	6,498
With treatment – please specify level of treatment	1,080	0
<b>(v) Others</b>		
No treatment	0	3,089
With treatment – please specify level of treatment	0	0
<b>Total water discharged (in kilolitres)</b>	<b>11,438</b>	<b>9,587</b>

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) - No**

**If yes, name of the external agency. - NA**

## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

#### 5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes

Zero Liquid Discharge is implemented in 3 units to treat wastewater, meet environmental laws, and eliminate liquid waste discharge through effective treatment processes.

#### 6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2024-25	FY 2023-24
NOx	mg/Nm <sup>3</sup>	137.0	320.7
SOx	mg/Nm <sup>3</sup>	57.6	17.8
Particulate matter (PM)	mg/Nm <sup>3</sup>	29.4	35.1
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – please specify			
Carbon Monoxide	mg/Nm <sup>3</sup>	166.1	284.4

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)  
If yes, name of the external agency.

Yes

1. ECO GREEN SOLUTION SYSTEMS PVT LTD
2. CITRO LABS PRIVATE LIMITED
3. EVAPO TECH
4. NAL LABS LLP
5. IDMA LABORATORIES LIMITED

#### 7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2024-25	FY 2023-24
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	485.2	748.7
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	5,125.3	4,293.3
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>	[Total Scope 1 and Scope 2 GHG emissions (in MTCO <sub>2</sub> e) / Revenue from operations (rupees in Lacs)]	0.2	0.1
<b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b>	[Total Scope 1 and Scope 2 GHG emissions (in MTCO <sub>2</sub> e) / Revenue from operations in rupees in Lacs adjusted for PPP]	3.1	2.9
<b>Total Scope 1 and Scope 2 emission intensity in terms of physical output</b>	[Total Scope 1 and Scope 2 GHG emissions (in MTCO <sub>2</sub> e) / Number of units produced in Lacs]	1.9	1.7

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

No

If yes, name of the external agency.

NA

*Note - Source of emission factors used - EPA's GHG Emission Factors Hub, CEA's CDM - CO<sub>2</sub> Baseline Database User Guide Version 20 has been used for the purpose of GHG Emissions calculations.*

## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

**8. Does the entity have any project related to reducing Green House Gas emission? (Yes/ No). If Yes, then provide details.**

Yes

Energy-efficient equipment and lights reduce energy consumption, resulting in a direct decrease in greenhouse gas emissions by lowering electricity demand. Additionally, the Million Tree Plantation Project serves as a carbon sink, absorbing CO<sub>2</sub> and other greenhouse gases from the atmosphere, thus contributing to a long-term reduction in emissions.

**9. Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2024-25	FY 2023-24
<b>Total Waste generated (in metric tonnes)</b>		
<b>Plastic waste (A)</b>	7.8	13.3
<b>E-waste (B)</b>	0.4	0.2
<b>Bio-medical waste (C)</b>	0	0
<b>Construction and demolition waste (D)</b>	0	0
<b>Battery waste (E)</b>	0	0
<b>Radioactive waste (F)</b>	0	0
<b>Other Hazardous waste. Please specify, if any. (G)</b>	22.9	20.0
Process waste	0.6	1.3
Discarded containers	6.6	3
ETP sludge	11.0	13.6
Chemical sludge	1.0	-
Used acid	0.2	0.0
Spent bath	1.5	0.2
Waste oil	0.1	1.7
Used oil	1.8	-
Plating Metal Sludge	0.02	-
Cotton waste	0.05	-
Filter Dust	0.001	-
Other Non-hazardous waste generated (H).		
<b>Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)</b>	800.0	587.3
<b>Metal Scrap</b>	711.5	521.9
<b>Paper Scrap</b>	2.7	51.1
<b>Wood Scrap</b>	12.8	6.1
<b>Brass Scrap</b>	7.0	8.2
<b>Cardboard</b>	66.0	-
<b>Total (A+B + C + D + E + F + G + H)</b>	831.1	620.8
<b>Waste intensity per rupee of turnover</b>		
<b>[Total waste generated (in MT) / Revenue from operations (Rupees in Lacs)]</b>	0.02	0.02
<b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)</b>		
<b>Total waste generated (in MT) / Revenue from operations in rupees in Lacs adjusted for PPP</b>	0.5	0.4
<b>Waste intensity in terms of physical output</b>		
<b>Total waste generated (in MT) / Number of units produced in Lacs</b>	0.3	0.2
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>	<b>FY 2024-25</b>	<b>FY 2023-24</b>
(i) Recycled	14.1	28.8
(ii) Re-used	0	0
(iii) Other recovery operations	0.1	0.1
<b>Total</b>	14.2	28.9

## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste	FY 2024-25	FY 2023-24
(i) Incineration	62.3	1.6
(ii) Landfilling	1.0	13.8
(iii) Other disposal operations	753.4	576.5
<b>Total</b>	<b>816.7</b>	<b>591.9</b>

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

No

If yes, name of the external agency.

NA

- 10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

At our organisation, we follow comprehensive waste management protocols in full compliance with relevant laws and regulatory frameworks. This includes systematic segregation, secure handling, safe storage, and the environmentally responsible disposal of waste through authorised vendors. Our practices align with industry standards and aim to ensure efficient waste management while upholding our commitment to environmental sustainability.

Key Waste Management Initiatives:

- Formulation of Standard Operating Procedures (SOPs) for managing hazardous waste
- Establishment of dedicated storage facilities for both hazardous and non-hazardous waste
- Implementation of reuse, recycling, reprocessing, recovery, treatment, and disposal methods in accordance with state pollution control board regulations
- Disposal of hazardous waste through pollution control board-approved recyclers
- Operation of efficient treatment plants to ensure wastewater is treated before being discharged to centralised effluent treatment plants (CETPs)

This structured approach reflects our dedication to minimising environmental impact and maintaining responsible waste-handling practices.

- 11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

Sr. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/clearance are being complied with? (Y/N)	If no, the reasons thereof and corrective action taken, if any.
---------	--------------------------------	--------------------	---	---

The Company does not have any operations/ offices in ecologically sensitive zone.

- 12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
-----------------------------------	----------------------	------	---	--	-------------------

NA

*Note: The Company has not conducted an Environmental Impact Assessment (EIA) as it was not mandated by applicable regulations for any project.*

- 13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N/ NA).**

Yes



## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

Specify the law/regulation/ guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not applicable			

#### Leadership Indicators

#### 2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2024-25	FY 2023-24
<b>Total Scope 3 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	MTCO <sub>2</sub> e	1225.1	750.5
<b>Total Scope 3 emissions per rupee of turnover</b> [Total Scope 3 emissions (in MTCO <sub>2</sub> e) / Revenue from operations (in rupees)]	MTCO <sub>2</sub> e / Revenue from operations (in rupees)	0.03	0.02
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-
Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)	No		
If yes, name of the external agency.	NA		

For FY 2024-25, the Company has calculated Scope-3 emissions for Category – 3: Fuel and energy related activities (Not included in scope-1 and scope-2) and Category – 5: Waste generated in operations.

#### PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

(This principle highlights the importance of responsible advocacy. Companies should engage in policy advocacy in a responsible and transparent manner, and avoid engaging in activities that could undermine the public interest or the democratic process.)

#### Essential Indicators

##### 1. a. Number of affiliations with trade and industry chambers/ associations.

10

##### b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National/ International)
1	Confederation of Indian Industry (CII)	National
2	All India Federation of Horological Industries	National
3	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
4	PHD Chamber of Commerce & Industry	National
5	Electronic Industries Association of India	National
6	Indo-French Chamber of Commerce & Industry (IFCCI)	National
7	Swiss-Indian Chamber of Commerce	National
8	Parwanoo Industries Association (PIA)	State
9	Peenya Industries Association	State
10	Karnataka Employers Association	State

##### 2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
NA		

## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

#### PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

(This principle emphasises the importance of promoting inclusive and equitable economic development. Companies should create economic opportunities for all, including disadvantaged and marginalised groups. They should also contribute to the development of local communities and support social and economic empowerment.)

#### Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the (In Rs.)
NA						

3. Describe the mechanisms to receive and redress grievances of the community.

KDDL has implemented a whistle-blower mechanism for community grievances, offering a way to report concerns. Grievances can be submitted via email to [whistleblower@kddl.com](mailto:whistleblower@kddl.com) or by contacting the designated representative at our manufacturing facilities.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Particular	FY 2024-25	FY 2023-24
Directly sourced from MSMEs/ small producers	21.9%	23.6%
Directly from within India	36.7%	47.8%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Particular	FY 2024-25	FY 2023-24
Rural	33.9%	26.3%
Semi-urban	40.9%	56.4%
Urban	2.3%	0%
Metropolitan	22.9%	17.3%

(Place to be categorised as per RBI Classification System - rural / semi-urban / urban/metropolitan)

#### Leadership Indicators

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1.	Million Tree Project	-	100%
2.	Organ Donation Project	1	100%
3.	Promoting Healthcare- Medical assistance to poor patients	-	100%
4.	Promoting Education and Vocational Training	86	100%
5.	Helping hand to underserved people with disabilities	32	100%
6.	Aftercare and Livelihood Program	28	100%
7.	Promotion of Indian Culture	-	-

## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

#### Notes-

1. Million Tree Project - 159,979 trees planted by KDDL through different NGOs during the year and planted 3,76,707 saplings to date.
2. Organ Donation Project - With the help of KDDL's Contribution, the concerned agency also organised Samarthan—MOHAN Foundation's flagship awareness event aimed at inspiring communities and spreading the message of organ donation at scale.
3. Due to the nature of the CSR projects, the number of beneficiaries cannot be determined for the Million Tree Project, Promoting Healthcare- Medical assistance to poor patients and the Indian Folk Event.

#### PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner.

(This principle highlights the importance of responsible consumer engagement. Companies should provide safe, high-quality products and services, and ensure that they are marketed and sold ethically and responsibly. They should also be transparent about their products and services, and provide consumers with the information they need to make informed choices.)

#### Essential Indicators

##### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

At KDDL, we value consumer feedback and view it as essential to our continuous improvement and long-term success. To ensure effective engagement, we have put in place multiple channels through which customers can share their feedback or raise concerns.

These include:

- Clearly defined Standard Operating Procedures (SOPs) for customer engagement
- Email-based communication for queries and feedback
- A Corrective and Preventive Action (CAPA) system
- A structured Excel-based register to track customer complaints and suggestions, as applicable
- Issuance of quality alerts that detail issues, root causes, and corrective actions, which are communicated transparently to customers

##### 2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about

Particular	As a percentage to total turnover
Environmental and social parameters relevant to the product	Nil
Safe and responsible usage	Nil
Recycling and/or safe disposal	Nil

##### 3. Number of consumer complaints in respect of the following:

	FY 2024-25		Remarks	FY 2023-24		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	Nil	0	0	Nil
Advertising	0	0	Nil	0	0	Nil
Cyber-security	0	0	Nil	0	0	Nil
Delivery of essential services	0	0	Nil	0	0	Nil
Restrictive Trade Practices	0	0	Nil	0	0	Nil
Unfair Trade Practices	0	0	Nil	0	0	Nil
Other	0	0	Nil	0	0	Nil

##### 4. Details of instances of product recalls on account of safety issues:

Particular	Number	Reason for recall
Voluntary recalls	0	NA
Forced recalls	0	NA

## ANNEXURE IV

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (CONTD.)

**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No)**

Yes

**If available, provide a web link of the policy**

KDDL's IT policy incorporates robust safeguards to address cybersecurity threats and data privacy risks. These measures are designed to protect sensitive information and mitigate vulnerabilities across the organisation. The policy is accessible on the Company's internal intranet, and data privacy terms are made publicly available on the official website. <https://www.kddl.com/terms/>

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products/services.**

No corrective action was taken as there was no such issue.

**7. Provide the following information relating to data breaches**

- |   |    |
|---|----|
| a. Number of instances of data breaches along-with impact                                 | 0  |
| b. Percentage of data breaches involving personally identifiable information of customers | 0% |
| c. Impact, if any, of the data breaches   |    |

No such incident has taken place in FY 2024-25.

## ANNEXURE V

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO THE PROVISIONS OF SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014:

#### A. CONSERVATION OF ENERGY :

- a) **Steps taken for conservation:** KDDL Limited remains committed to the continuous enhancement of energy performance and the conservation of energy across all its operations. A few significant measures taken are:
- i) Periodical and preventive maintenance of electric equipments and ensured optimum utilisation of electric energy.
  - ii) Phased balancing of heating and lighting load.
  - iii) Increase in power factor by installing capacitor at the individual machines.
- b) **Steps taken for utilising alternate sources of energy :**  
Cost of power is negligible in total cost of production.
- c) **Capital investment on energy conservation equipments:-**  
Further energy conservation is planned through replacement of and modification of inefficient equipments and by providing automatic controls to reduce idle running of equipments.

#### B. TECHNOLOGY ABSORPTION:

##### Efforts made for technology absorption

##### 1. Research and Development (R & D):

- a) **Specific areas on which R & D carried on by the Company:** Research and Development has been carried out for quality improvement, new product developments and productivity improvement.
- b) **Benefits derived as a result of the above R & D:** Increase in overall efficiency, productivity and quality of outgoing product and a wider range of watch components along with incremental business from customers
- c) **Future plan of action:** Further improvement in production processes, to develop new dial finishes, new types of index, development of tools and components and reduction of costs would continue.
- d) **Expenditure on R&D:** No separate account is being maintained by the company for the expenditure incurred on R&D. However, the Company is incurring recurring expenditure towards development activities.

##### 2. Technology Absorption, Adaptation & Innovation :

**Efforts, in brief, made towards technology absorption, adaptation and innovation:** The Company is constantly engaged in in-house R&D and is in constant touch with the new technologies.

**Benefits derived as a result of the above efforts:** Due to continuous developmental efforts, the Company has been able to produce much more complicated dials which were being imported until now.

- i) Technology imported: None after 1995.
- ii) Year of Import: N.A.
- iii) Has technology been fully absorbed? : Yes.
- iv) If not absorbed, area where this has not taken place, reasons thereof and future plans of action: N.A.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO	(Rs. in Millions) 2024-25
Foreign Exchange Earnings	2,395.81
Foreign Exchange Outgo	498.04



## ANNEXURE VI (A)

### PARTICULARS OF EMPLOYEES

#### PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

S.No.	Requirements of Rule 5(1)	Details														
(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	<table><tr><td>Mr. Yashovardhan Saboo#</td><td></td><td>80.8:1</td></tr><tr><td>Mr. Sanjeev Kumar Masown#</td><td></td><td>45.9:1</td></tr></table> # Excluding the additional incentive for excess operational profit compared to budget of Rs. 106.08 Lacs and Rs. 78.46 Lacs respectively			Mr. Yashovardhan Saboo#		80.8:1	Mr. Sanjeev Kumar Masown#		45.9:1						
Mr. Yashovardhan Saboo#		80.8:1														
Mr. Sanjeev Kumar Masown#		45.9:1														
(ii)	The percentage of increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	<table><tr><th>Name</th><th>As per Payout</th><th>As per Terms</th></tr><tr><td>Mr. Yashovardhan Saboo</td><td>(5.9%)</td><td>9.8%</td></tr><tr><td>Mr. Sanjeev Kumar Masown</td><td>19.1%</td><td>21.4%</td></tr><tr><td>Mr. Brahm Prakash Kumar</td><td>3.8%</td><td>13.0%</td></tr></table> The difference in Terms of appointment and actual payout is due to variable component, which is linked to performance of individual and company against the agreed parameter.			Name	As per Payout	As per Terms	Mr. Yashovardhan Saboo	(5.9%)	9.8%	Mr. Sanjeev Kumar Masown	19.1%	21.4%	Mr. Brahm Prakash Kumar	3.8%	13.0%
Name	As per Payout	As per Terms														
Mr. Yashovardhan Saboo	(5.9%)	9.8%														
Mr. Sanjeev Kumar Masown	19.1%	21.4%														
Mr. Brahm Prakash Kumar	3.8%	13.0%														
(iii)	The percentage increase in the median remuneration of employees in the financial year;	17.5%														
(iv)	The number of permanent employees on the rolls of company;	1,474 employee as on 31 <sup>st</sup> March, 2025														
(v)	Average percentiles increase already made in the salaries of employees other than the key managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Average Salary increase of non-managerial employees is 10.2% The average salary increase of managerial employees is 10.7% There are no exceptional circumstances in the increase in managerial remuneration.														
(vi)	Affirmation that the remuneration is as per the remuneration policy of the company.	Remuneration paid during the year is as per the Remuneration Policy of the Company.														

## ANNEXURE VI (B)

**Top Ten Employees In Terms of Remuneration Drawn in 2024-25**

Sr. No.	Name of the employee	Designation	Remuneration (2024-25) Amount in Rs. p.a.	Nature of employment, whether contractual or otherwise	Qualifications and Experience of the employee	Date of commencement of employment	Age	The last employment held by such employee before joining the company	The percentage of equity shares held by the employee in the company*	whether any such employee is a relative of any director of the company and if so, name of such director
1	Mr. Yashovardhan Saboo	Chairman & Managing Director	5,18,82,413	Full time employment	B.A. (Hons.) and MBA from IIM (43 years)	25-03-1981	66 years	Groz Beckett Asia Pvt Ltd ( Formerly known as ) Groz-Beckett Saboo Limited, Chandigarh	17.9	He is brother of Mr. Jai Vardhan Saboo and husband of Mrs. Anuradha Saboo, Non Executive Directors of the Company
2	Mr. Sanjeev Kumar Masown	Whole Time Director cum Chief Financial Officer	3,01,56,024	Full time employment	M. COM and ICMA ( 32 years )	01-03-2011	55 years	Samtel Color Limited, Delhi	Nil	No
3	Mr. Pascal Armillotti	Project manager & International coordinator	2,52,13,855	Full time employment	Mechanical Engineering ( 28 years)	01-03-2023	57 years	IngéConseils	Nil	No
4	Mr. B. Satish	President	2,02,12,840	Full time employment	MBA and Inter CA ( 38 years)	10-10-1994	59 years	Hero Roloforms Pvt Ltd, Bangalore	0.03	No
5	Mr. Venkatachary Srinivasan	Executive Vice President	1,31,42,384	Full time employment	B.E. Mechanical and Master Degree ( 39 years)	08-07-2019	58 years	Tube Investments of India Pvt. Ltd. Chennai	Nil	No
6	Mr. Cviraj Appadoo	Senior Manager	1,77,09,514	Full time employment	B. Engineering in France ( 26 years)	01-04-2019	50 years	ISM Ltd, Mauritius	Nil	No
7	Mr. Vincent Alberola	Senior Manager	1,07,18,246	Full time employment	Mechanical Engineering, Marketing Degree & Post Graduation in Project Management ( 24 years)	04-02-2010	54 years	Movado, Switzerland	Nil	No
8	Mr. Manoj Gupta	Executive Vice President	87,41,750	Full time employment	Graduation and Diploma in Tool & Die Making	01-04-2024	56 years	Titan Company Limited, Bangalore	Nil	No
9	Mr. M P Prakash Kanaka	Senior General Manager	76,47,523	Full time employment	MBA- Finance ( 30 years)	29-08-2018	53 years	Guhring India Pvt. Ltd. Bangalore	Nil	No
10	Mr. Jagadeesh B. Patil	Senior General Manager	78,50,568	Full time employment	MBA ( 25 years)	10-05-2016	52 years	UNI-VTL Precision Pvt. Ltd. Bangalore	0.00	No

\*As on 31<sup>st</sup> March, 2025

## ANNEXURE VII

### Form No. MR-3

#### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
KDDL Limited  
Plot No. III, Sector 3  
Parwanoo, Himachal Pradesh

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KDDL LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the KDDL LIMITED'S books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by KDDL LIMITED ("the Company") for the financial year ended on March 31, 2025 under the provisions of below mentioned regulations:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2013.

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
  - c) The Securities and Exchange Board of India (Share Based Employee Benefits And Sweat Equity) Regulations, 2021- Not Applicable to the company during the financial year under review.
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018- Not Applicable to the company during the financial year under review.
  - e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
  - f) Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021: Not applicable during the financial year under review.
  - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client- Not applicable as the company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review.
  - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021- Not applicable as the company has not delisted any securities from any stock exchange during the financial year under review.
- (vi) The major provisions and requirements have also been complied with as prescribed under all applicable Labour laws viz. The Factories Act, 1948, The Payment of Wages Act, 1936, The Payment of Bonus Act, 1965, Industrial Dispute Act, 1947, Employee State Insurance Act, 1948, The Employee's Provident Fund and Miscellaneous Provisions Act, 1952, The Payment of Gratuity Act, 1972.
  - (vii) Hazardous Waste (Management and Handling) Rules, 1989 and the Amendments Rules, 2003.
  - (viii) The Air (Prevention and Control of Pollution) Act, 1981
  - (ix) The Water (Prevention and Control of Pollution) Act, 1974
- I have also examined compliance with the applicable clauses of the following:
- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
  - b) The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 being listed on the National Stock Exchange of India Limited and BSE Limited ("Stock Exchanges").

**ANNEXURE VII (Contd.)**

During the period under review the Company has complied with the provisions of the act, rules, regulations, guidelines, standards, etc. mentioned above.

Based on my examination and the information received and records maintained, I further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year, were carried out in compliance with the applicable Act and Regulations.

During the audit period, upon completion of the tenure of the Independent Directors on the Board and their consequent cessation as Directors of the Company and as Chairman/Members of the Audit Committee and/or Stakeholders' Relationship Committee on 06.08.2024, the Board of Directors promptly reconstituted the Committees on 14.08.2024. No meetings of the Committees were held during the intervening period. The Stock Exchanges have, however, levied SOP fines on account of reconstitution of Committees under Regulation 18(1) and 20(2)/(2A) of the SEBI LODR Regulations. The Company has already submitted its detailed clarification along with a waiver application to both the Exchanges, which is currently under consideration as on the date of this report.

2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent well in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Date: 14.08.2025

Place: Chandigarh

UDIN: F002191G001009659

3. All decision is carried through majority while the dissenting members' views, if any, are captured and recorded as part of the minutes.

4. The company has proper board processes.

Based on the compliance mechanism established by the company and on the basis of the compliance certificate(s) issued by the Company Secretary/ Officers, I am of an opinion that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period:

- A. With the approval of the shareholders vide special resolution passed through postal ballot on 12.08.2024, the company has bought back 2,37,837 fully paid up equity shares of Rs. 10/- each, through the tender offer, at a price of Rs. 3700 per share.
- B. approval of the members was sought in the 44<sup>th</sup> Annual General Meeting of the company held on 27.09.2024 inter alia, for
  - i. borrowing, by way of inviting and accepting unsecured fixed deposits from shareholders of the company, by way of ordinary resolution;
  - ii. delegation of authority to the Board of Directors to exercise the borrowing powers under Section 180 (1)(c) of the companies Act, 2013 upto a limit of Rs. 150.00 Crores, by way of a special resolution.

I further report that, there were no instances of

- (i) Public / Rights / Preferential issue of shares / debentures.
- (ii) Redemption of securities.
- (iii) Merger / amalgamation / reconstruction etc.
- (iv) Foreign technical collaborations.

**For A. ARORA & CO.**

AJAY K. ARORA

(Proprietor)

FCS No. 2191

C P No.: 993

Peer Review Cert No. 2120/2022

This report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.

## Annexure-A"

To,  
The Members,  
KDDL Limited  
Plot No. III, Sector 3  
Parwanoo, Himachal Pradesh

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records, based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the extent of verification of procedures on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Date: 14.08.2025

Place: Chandigarh

UDIN: F002191G001009659

**For A. ARORA & CO.**

AJAY K. ARORA

(Proprietor)

FCS No. 2191

C P No.: 993

Peer Review Cert No. 2120/2022

## REPORT ON CORPORATE GOVERNANCE

### I. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

KDDL's philosophy on Corporate Governance is to create and conduct sustainable growing business with highest standards of integrity, transparency, and accountability to maximise stakeholders' value while duly complying with all applicable laws and regulations. Corporate governance is more than merely a compliance requirement, it is a core enabler of long term value creation. KDDL firmly believes that Corporate Governance is critical to success of its business and its governance practices are reflected in its strategy, plan, culture, policies, and relationship with stakeholders.

During the financial year ended on 31<sup>st</sup> March 2025, eight (8) Board Meetings were held and the gap between two meetings did not exceed one twenty days. The dates on which the Board Meetings were held are as follows:

14 <sup>th</sup> May, 2024	9 <sup>th</sup> July, 2024	14 <sup>th</sup> August, 2024	23 <sup>rd</sup> August, 2024
27 <sup>th</sup> September, 2024	11 <sup>th</sup> November, 2024	25 <sup>th</sup> January, 2025	14 <sup>th</sup> February, 2025

The following table gives the composition and category of the Directors, their attendance at the Board meetings held during the year, at the last Annual General meeting and number of equity shares held by non-executive directors:

Name of the Director	Designation	Category of Directorship	No. of Board Meetings attended	Attendance at the last AGM held on 27-09-2024	Number of Shares / Convertible instruments held by non – Executive Directors
Mr. Yashovardhan Saboo	Chairman & Managing Director	Promoter-Executive	8	Yes	-
Mr. Anil Khanna*	Director	Independent-Non Executive	2	NA	1,700
Ms. Ranjana Agarwal*	Director	Independent- Non Executive	1	NA	-
Mr. Praveen Gupta	Director	Independent- Non Executive	6	Yes	-
Mr. Nagarajan Subramanian	Director	Independent- Non Executive	8	Yes	40
Mrs. Neelima Tripathi	Director	Independent- Non Executive	6	Yes	-
Mr. Jai Vardhan Saboo	Director	Promoter Group- Non Executive	4	No	-
Mr. Sanjiv Sachar	Director	Independent- Non Executive	8	Yes	1,521
Mr. Sanjeev Kumar Masown	Whole time Director	Executive	8	Yes	-
Mrs. Anuradha Saboo	Director	Promoter Group- Non Executive	7	Yes	12,61,368
Mr. Chitranjan Agarwal**	Director	Independent- Non Executive	NA	NA	9,329
Mr. Anurag Maheshwari***	Director	Independent- Non Executive	NA	NA	-

\*Ceased to be Directors w.e.f 6<sup>th</sup> August, 2024

\*\*Appointed w.e.f 19<sup>th</sup> May, 2025

\*\*\*Appointed w.e.f 30<sup>th</sup> May, 2025

Except Mr. Yashovardhan Saboo, Mrs. Anuradha Saboo and Mr. Jai Vardhan Saboo, none among other directors have any inter-se relationships



## REPORT ON CORPORATE GOVERNANCE (Contd.)

In addition to their roles on our Board, the Directors bring valuable experience and expertise from their positions on other Boards and Committees. These external roles not only broaden their perspectives but also enable them to leverage best practices, networks, and insights that benefit the Company. An overview of the other directorships held by the members of the Board on the basis of disclosure is given below:

Name of the Director	No. of Directorship in other Public Limited Companies	No. of Committee positions held in other public companies <sup>5</sup>		Other Indian Equity Listed entities in which they hold Directorship and category
		Chairman	Member	
Mr. Yashovardhan Saboo	3	-	1	Ethos Limited- Executive Director, Chairperson related to Promoter
Mr. Anil Khanna*	-	-	-	-
Ms. Ranjana Agarwal*	-	-	-	-
Mrs. Neelima Tripathi	-	-	-	-
Mr. Sanjiv Sachar	1	1	-	Info Edge (India) Limited - Non Executive Independent Director
Mr. Nagarajan Subramanian	1	-	-	-
Mr. Praveen Gupta	-	-	-	-
Mr. Jai Vardhan Saboo	-	-	-	-
Mrs. Anuradha Saboo	-	-	-	-
Mr. Sanjeev Kumar Masown	2	-	-	-
Mr. Chitranjan Agarwal**	-	-	-	-
Mr. Anurag Maheshwari***	-	-	-	-

<sup>5</sup>Committee positions includes only the membership of Audit Committee, and Stakeholder's Relationship Committee as per SEBI(LODR)Regulations, 2015)

\*Ceased to be Directors w.e.f 6<sup>th</sup> August, 2024

\*\*Appointed w.e.f 19<sup>th</sup> May, 2025

\*\*\*Appointed w.e.f 30<sup>th</sup> May, 2025

#### (b) Independent Directors

The Independent Directors of the Company have been appointed in terms of the requirements of Companies Act, 2013 ('the Act'), the SEBI (LODR) Regulation and the Nomination and Remuneration policy of the Company.

Independent Directors have confirmed that they meet the criteria of independence as defined under Regulation 16(1) (b) of the SEBI (LODR) Regulations and Section 149(6) of the Act. The maximum tenure of Independent Directors is in compliance with the provision of the Act.

In terms of Regulation 25(8) of the SEBI (LODR) Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situations which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

The Board is of the opinion that the Independent Directors fulfil the independence criteria specified in the Act and the SEBI (LODR) Regulations and that

they are independent of the management. In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Directors have confirmed that they have enrolled themselves in the Independent Directors' Data bank maintained with the Indian Institute of Corporate Affairs.

#### (c) Independent Directors' meeting

As per the requirement of the Companies Act, 2013 and Regulation 25(3) of SEBI (LODR) Regulations, the Independent Directors (Mr. Sanjiv Sachar, Mr. Praveen Gupta, Mrs. Neelima Tripathi and Mr. Nagarajan Subramanian) of the Company met on 19<sup>th</sup> March, 2025 and discussed, reviewed the performance of Non-Independent Directors, the Board of Directors as a whole, Chairperson of the Company and assessed the quality, quantity and timeliness of flow of information between the Company's management & the Board and shown their satisfaction on the same.

## REPORT ON CORPORATE GOVERNANCE (Contd.)

### (d) Skills / Expertise / Competencies of the Board of Directors

The following is the list of core skills / competencies identified by the Board of Director as required in the context of the Company's business and that the said skills are available with the Board Members i.e Mr. Yashovardhan Saboo, Mr. Sanjeev Kumar Masown, Mr. Sanjiv Sachar, Mr. Praveen Gupta, Mr. Jai Vardhan Saboo, Mr. Nagarajan Subramanian, Mrs. Neelima Tripathi, Mrs. Anuradha Saboo, Mr. Chitranjan Agarwal and Mr. Anurag Maheshwari:

Wide management and leadership experience	Strong management and leadership experience including in areas of business development, strategic planning, and risk management, technology, manufacturing, banking, investments and finance, international business. Demonstrated strengths in developing talent, planning succession and driving change and long-term growth.
Diversity	Diversity of thought, experience, knowledge, perspective, gender and culture. Varied mix of strategic perspectives, and geographical focus with knowledge and understanding of key relevant markets and industry.
Functional and managerial experience	Knowledge and skills in accounting and finance, business Judgment, general management practices and processes, industry knowledge, macro-economic perspectives, human resources, labour laws, international markets, sales and marketing, and risk management.
Personal values	Personal characteristics matching the Company's values, such as integrity, accountability, and high performance standards.
Corporate governance	Experience in developing and implementing good corporate governance practices, maintaining board and management accountability, managing stakeholders' interests and Company's responsibilities towards customers, employees, suppliers, regulatory bodies and the communities in which it operates.

### (e) Details of Familiarisation programme for Independent Directors

Details of Familiarisation programme imparted to Independent Directors are available on the website of the Company i.e. <https://www.kddl.com/familiarization-programme/>

## III. COMMITTEES OF BOARD

Presently, the Board has five committees: Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee and Risk Management Committee:

### A. AUDIT COMMITTEE

The Audit Committee of the Company is constituted in accordance with the provisions of Regulation 18 of the SEBI (LODR) Regulations and the provisions of Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee are based on the role of the Audit Committee, as mentioned in Section 177 of the Companies Act, 2013, Regulation 18 of the SEBI (LODR) Regulations and as determined by the Board which inter alia, includes the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
  - b) Changes, if any, in accounting policies and practices and reasons for the same
  - c) Major accounting entries involving estimates based on the exercise of judgment by management
  - d) Significant adjustments made in the financial statements arising out of audit findings
  - e) Compliance with listing and other legal requirements relating to financial statements

## REPORT ON CORPORATE GOVERNANCE (Contd.)

- |  |  |
|--|--|
| <p>f) Disclosure of any related party transactions</p> <p>g) Modified opinion(s) in the draft audit report</p> <p>5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;</p> <p>6. Reviewing, with the management, the statement of uses / application of funds raised through and issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;</p> <p>7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;</p> <p>8. Approval or any subsequent modification of transactions of the company with related parties;</p> <p>9. Scrutiny of inter-corporate loans and investments;</p> <p>10. Valuation of undertakings or assets of the company, wherever it is necessary;</p> <p>11. Evaluation of internal financial controls and risk management systems;</p> <p>12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;</p> <p>13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;</p> <p>14. Discussion with internal auditors of any significant findings and follow up there on;</p> <p>15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or</p> | <p>a failure of internal control systems of a material nature and reporting the matter to the board;</p> <p>16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;</p> <p>17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;</p> <p>18. To review the functioning of the Whistle Blower mechanism;</p> <p>19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;</p> <p>20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.</p> <p>21. Reviewing the utilisation of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.</p> <p>22. Reviewing compliance with the Insider Trading Regulations at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively;</p> <p>23. Reviewing the information as specified in the para B of Part (C) of the Schedule II of the SEBI (LODR) Regulations;</p> <p>24. To review and approve all transactions/ agreements with related parties.</p> <p>25. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.</p> |
|--|--|

## REPORT ON CORPORATE GOVERNANCE (Contd.)

The Audit Committee met seven times during 2024-25. The Audit Committee meetings were held on following dates:

14 <sup>th</sup> May, 2024	26 <sup>th</sup> June, 2024	14 <sup>th</sup> August, 2024	23 <sup>rd</sup> August, 2024
27 <sup>th</sup> September, 2024	11 <sup>th</sup> November, 2024	21 <sup>st</sup> January, 2025	14 <sup>th</sup> February, 2025

The composition of the Committee and attendance of the members at the meetings held during the financial year 2024-25 is given hereunder:

Name of the Director	Category	Designation	No. of Meetings attended out of 8 meetings
Mr. Anil Khanna*	Independent Non Executive Director	Chairman	2
Mrs. Ranjana Agarwal*	Independent Non Executive Director	Member	2
Mr. Praveen Gupta	Independent Non Executive Director	Member	7
Mr. Sanjiv Sachar***	Independent Non Executive Director	Chairman	6
Mr. Yashovardhan Saboo**	Executive Director	Member	6
Mr. Nagarajan Subramaniam <sup>§</sup>	Independent Non Executive Director	Member	3

\*Ceased to be Director w.e.f 6<sup>th</sup> August, 2024

\*\*\* Appointed as Chairman w.e.f 14<sup>th</sup> August, 2024

\*\*Appointed as Member w.e.f 14<sup>th</sup> August, 2024

<sup>§</sup>Appointed as Member w.e.f 11<sup>th</sup> November, 2024

The Audit Committee invites such Executives as it considers appropriate to be present at its meetings. The Chief Financial Officer and Company Secretary attended all the meetings. The Statutory Auditors are invited to the meetings in which Quarterly/Annual Accounts are considered. The Internal Auditors are also invited to the meetings in which Internal Audit Reports are discussed. The Company Secretary acts as the Secretary of the Committee.

### B. NOMINATION AND REMUNERATION COMMITTEE

The Company has Nomination, Remuneration Committee (NRC Committee) in terms of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations, 2015. Terms of references of the Committee is in accordance with the Companies Act, 2013 and SEBI Regulations inter-alia includes:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - use the services of an external agencies, if required;
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates.
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;

## REPORT ON CORPORATE GOVERNANCE (Contd.)

4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. Recommend to the board, all remuneration, in whatever form, payable to senior management.

**The composition of the Committee, details of meetings held and attendance of the members during the financial year 2024-25 is given hereunder:**

Name of the Director	Category	Position held in the Committee	Attendance at NRC Committee Meeting held during 2024-25					Total No. of Meetings Attended
			14 <sup>th</sup> May, 2024	14 <sup>th</sup> August, 2024	11 <sup>th</sup> November, 2024	4 <sup>th</sup> December, 2024	21 <sup>st</sup> January, 2025	
Mr. Sanjiv Sachar	Independent Non Executive Director	Chairman	Y	Y	Y	Y	Y	5
Mrs. Ranjana Agarwal*	Independent Non Executive Director	Member	Y	NA	NA	NA	NA	1
Mr. Praveen Gupta	Independent Non Executive Director	Member	Y	Y	Y	Y	Y	5
Mr. Anil Khanna*	Independent Non Executive Director	Member	Y	NA	NA	NA	NA	1
Mr. Yashovardhan Saboo	Executive Director	Member	Y	Y	Y	N	Y	4
Mrs. Neelima Tripathi**	Independent Non Executive	Member	NA	Y	N	Y	N	2

\*Ceased to be Director w.e.f 6<sup>th</sup> August, 2024

\*\*Appointed as Member w.e.f 14<sup>th</sup> August, 2024

The Company Secretary of the Company acts as Secretary to the Committee. Requisite quorum was present at the meetings.

### Performance evaluation criteria for Independent Directors

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of Independent Directors which are as under-

- Director has sufficient skill, experience, time and resources to undertake his/her duties.
- Director's contributions and suggestions at Board / Committee meetings are of high quality.
- Director proactively contribute in development of strategy and risk management of the Company.
- Director's performance and behaviour promotes mutual trust and respect within the Board / Committee.
- Director is effective and successful in managing relationships with fellow Board members and senior management.
- Director understand governance, regulatory, financial, fiduciary and ethical requirements of the Board / Committee.
- Director actively updates himself/herself with the latest developments in relevant areas of the business environment.
- Director has sufficient understanding of the organisation and the sector in which it operates.
- Director demonstrates a high level of integrity and confidentiality; and identifying, disclosing and managing conflicts of interest.
- Director works together constructively as a team.
- Director devotes significant time to determining the emerging issues that could affect the organisation in future.
- Director has good understanding of the Company's key drivers of performance.
- Director is able to focus more on strategic direction rather than day to day management.
- Director has complied with Code of Conduct of the Company.
- Director has complied with the Insider Trading Policy of the Company.

## REPORT ON CORPORATE GOVERNANCE (Contd.)

- Director has maintained confidentiality of all information obtained by them.
- Director has provided timely declaration to the company as required by Section 149 of The Companies Act, 2013.
- Director has intimated the Company immediately if there are any issues relating to independence.
- Director has not abused their position for gaining any personal benefit for themselves or any person related.

### Remuneration of Non-Executive Directors

There was no pecuniary relationship or transaction between the Non-Executive Directors and the Company during the financial year 2024-25 except receipt of sitting fees from the Company for attending the meetings of the Board and Committees thereof and deposits and / or interest thereon, received from the director, if any, the details of which are given in the financial statements.

### Criteria of making payments to Non-Executive Directors

The remuneration of Non Executive Directors shall be finalised considering the following:

- They will be entitled to receive remuneration by way of sitting fees for attending meetings of the Board or its Committees at rates within the limits prescribed under the Companies Act, 2013 and rules made thereunder.
- Non Executive Directors do not participate in Board discussions which relate to their own remuneration.
- They receive reimbursement of reasonable expenses incurred in attending the Board, Committee and other adhoc meetings.
- Remuneration is paid subject to deduction of Income Tax at source and payment of applicable Service Tax.

During the year under review, the Non Executive Directors of the Company were paid sitting fees as under (including fees paid for Committee meetings):

Name of the Director	Sitting Fees paid (Gross) (Rs.)
Mr. Anil Khanna	1,80,000
Mr. Sanjiv Sachar	8,50,000
Mr. Praveen Gupta	6,82,500
Mr. Jai Vardhan Saboo	2,00,000
Mrs. Ranjana Agarwal	1,27,500
Mrs. Neelima Tripathi	3,00,000
Mrs. Anuradha Saboo	3,00,000
Mr. Nagarajan Subramanian	4,65,000
<b>Total</b>	<b>31,05,000</b>

### Remuneration of the Executive Directors

- The remuneration to Executive Directors (including Chairman, Vice Chairman, Managing Director, Whole Time Director) shall be mutually agreed between the Company and the respective Director, within the overall limits prescribed under the Companies Act, 2013 and rules made thereunder. The remuneration shall consist of fixed and variable (incentive) elements of pay. The variable elements shall be linked to performance parameters and quantitative and qualitative assessment. It is provided that the variable shall generally not to be below 20% of the total remuneration; exceptions, if any shall need specific approval of the Nomination & Remuneration Committee (NRC).
- The remuneration shall be subject to the approval of Members of the Company in General Meeting, if required.
- In determining the remuneration of Chairman, Vice Chairman, Managing Director (including the fixed increment and performance bonus) the NRC shall consider the following:
  - That the relationship of remuneration and performance benchmarks is clear;
  - There is a fair balance between fixed and variable (incentive) pay reflecting short and long-term performance



## REPORT ON CORPORATE GOVERNANCE (Contd.)

objectives appropriate to the working of the Company and its goals.

- The responsibility required to be shouldered by the above said Directors.
- Industry benchmarks and the current trends;
- The Company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs / KPIs.

- d) Executive Directors are not entitled to sitting fees for attending meeting of directors

The Company has not granted any Stock Options to its Directors or Employees during Financial Year 2024-25.

2013 and Regulation 20 of SEBI (LODR) Regulations, 2015. The terms of reference of the SRC inter-alia includes:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

### C. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The constitution and terms of reference of Stakeholders' Relationship Committee (SRC) are in compliance with the provisions of the Section 178 of the Companies Act,

The composition of the Committee, details of meetings held and attendance of the members during the financial year 2024-25 is given hereunder:

Name	Category	Position held in the Committee	Attendance at meeting held on 14 <sup>th</sup> February, 2025
Mr. Nagarajan Subramanian*	Independent Non Executive Director	Chairman	Yes
Mr. Yashovardhan Saboo	Executive Director	Member	Yes
Mr. Sanjeev Kumar Masown	Executive Director	Member	Yes

\*Appointed as Chairman w.e.f 14<sup>th</sup> August, 2024

The Company Secretary of the Company is authorised to authenticate the transfers/transmissions/issue of duplicate share certificates etc. All requests for dematerialisation of shares are processed and confirmed by M/s MAS Services Limited, Registrars and Share Transfer Agent of the Company.

Requisite quorum was present at the meeting. The Company Secretary of the Company acts as Secretary to the Stakeholders' Relationship Committee.

#### Details of Complaints received and resolved during the year:

Complaints pending as on 1 <sup>st</sup> April, 2024	Nil
During the period from 1 <sup>st</sup> April, 2024 to 31 <sup>st</sup> March, 2025	4
Complaints disposed off during the year ended 31 <sup>st</sup> March, 2025	4
Complaints unresolved to the satisfaction of shareholders as on 31 <sup>st</sup> March, 2025	Nil

## REPORT ON CORPORATE GOVERNANCE (Contd.)

### D. Corporate Social Responsibility Committee:

The Company has a Corporate Social Responsibility (CSR) Committee in compliance with the provisions of Section 135 of the Companies Act, 2013. CSR Committee comprises of 1 Independent Director, 1 Executive Director, 1 Non-Executive Director and 1 other member who is Chairman Emeritus.

The terms of reference of the CSR Committee are as follows:

- formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company in areas or subject, specified in Schedule VII
- recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- monitor the Corporate Social Responsibility Policy of the company from time to time.

The Board adopted CSR Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company at [https://www.kddl.com/wp-content/uploads/PDF/KDDL\\_CSR\\_Policy.pdf](https://www.kddl.com/wp-content/uploads/PDF/KDDL_CSR_Policy.pdf). The Annual Report on CSR activities for 2024-25 forms a part of the Board's Report.

The composition of the Committee, meetings held during the year and attendance of the members during the financial year 2024-25 is given hereunder:

Name	Category	Position held in the Committee	14 <sup>th</sup> May, 2024
Mr. R. K.Saboo	Member	Chairman	Yes
Mr. Yashovardhan Saboo	Executive Director	Member	Yes
Mrs. Ranjana Agarwal*	Independent Non-Executive Director	Member	Yes
Mr. Praveen Gupta	Independent Non-Executive Director	Member	Yes
Mrs. Anuradha Saboo**	Non-Executive Director	Member	Not Applicable

\*Ceased to be Director w.e.f 6<sup>th</sup> August, 2024.

\*\*Appointed as Member w.e.f 14<sup>th</sup> August, 2024.

Requisite quorum was present at the meeting. The Company Secretary of the Company acts as Secretary to the Corporate Social Responsibility (CSR) Committee.

### E. RISK MANAGEMENT COMMITTEE

The Risk Management Committee ("RMC") has been constituted in terms of the provisions of regulation 21 of the SEBI (LODR) Regulation. RMC comprises of 2 Independent Directors and 2 Executive Directors.

The role of the committee shall, inter alia, include the following:

- To formulate a detailed risk management policy which shall include:
  - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - Measures for risk mitigation including systems and processes for internal control of identified risks.
  - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

## REPORT ON CORPORATE GOVERNANCE (Contd.)

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

The Board adopted Risk Management Policy as formulated and recommended by the Committee. The same is displayed on the website of the Company at <https://www.kddl.com/wp-content/uploads/PDF/policies/RCM-19-12-2022.pdf>

The composition of the RMC of the Board of Directors of the Company along with the details of the meetings held during the financials year 2024-25 and attendance of the members of the Committee is detailed below:

Name	Category	Position held in the Committee	Attendance at the meetings held on	
			7 <sup>th</sup> September, 2024	21 <sup>st</sup> January, 2025
Mr. Yashovardhan Saboo	Executive Director	Chairman	Yes	Yes
Mr. Sanjiv Sachar	Independent Non-Executive	Member	Yes	Yes
Mr. Praveen Gupta	Independent Non-Executive	Member	Yes	Yes
Mr. Sanjeev Masown	Executive Director	Member	Yes	Yes

The gap between two Risk Management Committee Meetings did not exceed 210 days. Requisite quorum was present at meetings. The Company Secretary of the Company acts as Secretary to the Risk Management Committee.

## IV. SHAREHOLDERS INFORMATION

### General Body Meetings

- (i) Details of location, date and time where last three Annual General Meetings were held along with the special resolutions passed, are given as below:

Financial year	Details of Location	Date	Time	Special resolutions passed
2023-24	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	27 <sup>th</sup> September, 2024	12:00 p.m	a) Approval for Incentive Payout to Mr. Yashovardhan Saboo (DIN – 00012158), Chairman and Managing Director of the Company for the financial year 2023-24.. b) Approval for Incentive Payout to Mr. Sanjeev Kumar Masown (DIN – 035423900), Whole time Director cum Chief Financial Officer for the financial year 2023-24. c) Approval for increase in overall Borrowing Limits of the Company under Section 180(1)(a) of the Companies Act, 2013.
2022-23	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	29 <sup>th</sup> September, 2023	12.00 P.M.	a) Amendment in Articles of Association of the Company. b) Approval for Incentive Payout to Mr. Yashovardhan Saboo (DIN – 00012158), Chairman and Managing Director of the Company for the financial year ended 31 <sup>st</sup> March, 2023. c) Approval for Incentive Payout to Mr. Sanjeev Kumar Masown (DIN – 03542390), Whole time Director cum Chief Financial Officer for the financial year ended 31 <sup>st</sup> March, 2023.
2021-22	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	27 <sup>th</sup> September, 2022	12.00 P.M.	a) Re-appointment of Mr. Sanjiv Sachar (DIN: 02013812) as an Independent Director of the Company. b) To appoint Mr. Nagarajan Subramanian (DIN: 02406548) as an Independent Director of the Company. c) To appoint Mrs. Neelima Tripathi (DIN: 07588695) as an Independent Director of the Company. d) Amendment in Articles of Association of the Company. e) Approval for One Time Value Creation Award for Mr. Yashovardhan Saboo, Chairman & Managing Director of the Company.

## REPORT ON CORPORATE GOVERNANCE (Contd.)

- (ii) During the financial year under review, the following Special Resolution was passed through postal ballot:
- Re-appointment of Mr. Sanjeev Kumar Masown (DIN: 03542390) as whole-time director (key managerial personnel with functional designation of chief financial officer).
  - Approval of buy-back of fully paid-up equity shares of the company through tender offer route.
- There is no any special resolution proposed to be conducted through postal ballot.

### V. MEANS OF COMMUNICATION

Quarterly Results	Quarterly Results are submitted to the Stock Exchanges and are also are displayed on the Company's website i.e www.kddl.com.
Newspapers in which quarterly results are published	Financial Express (English)/Jan Satta (Hindi)
Any website where results or official news are displayed	Yes, www.kddl.com
Whether it also displays official news releases	The financial results and other relevant information including news release are displayed on the website of the Company
The presentations made to institutional investors or to the analysts.	Yes

### VI. GENERAL SHAREHOLDER INFORMATION

#### (a) Annual General Meeting

Date & Time: Monday, 15<sup>th</sup> September, 2025 at 03:00 P.M. (IST)

Venue: Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")

#### (b) Financial Year

Financial year : 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025

For the financial year ended 31<sup>st</sup> March, 2025, results were announced on:

- 30<sup>th</sup> June, 2024 : 14<sup>th</sup> August 2024
- 30<sup>th</sup> September 2024: 11<sup>th</sup> November 2024
- 31<sup>st</sup> December 2024: 14<sup>th</sup> February 2025
- 31<sup>st</sup> March 2025: 19<sup>th</sup> May 2025
- For the year ending 31<sup>st</sup> March, 2025, the tentative dates for announcement of the results:
- 30<sup>th</sup> June, 2025 : 14<sup>th</sup> August 2024 (Result Declaration Date)
- 30<sup>th</sup> September 2025: Within 45 days from the end of quarter
- 31<sup>st</sup> December 2025: Within 45 days from the end of quarter
- 31<sup>st</sup> March 2025: Within 60 days from the end of quarter / financial year

#### (c) Date of Book Closure: 9<sup>th</sup> September, 2025 to 15<sup>th</sup> September, 2025 (both days inclusive)

#### (d) Dividend Payment Date: Within 30 days from the declaration.

#### (e) Name of Stock Exchanges at which the securities are listed and Scrip Code:

##### (i) BSE Limited (BSE)

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001

Scrip Code: 532054

##### (ii) National Stock Exchange of India Limited (NSE)

Exchange Plaza, Plot No. C-1, G Block,

Bandra Kurla Complex, Bandra (E), Mumbai- 400 051 Scrip Code: KDDL

#### (f) Listing Fees to the Stock Exchanges: The Company has paid listing fees in respect of financial year 2024-25 to BSE Limited and National Stock Exchange of India Limited.

#### (g) Registrar and Share Transfer Agent (RTA):

MAS Services Limited

T-34, 2<sup>nd</sup> Floor, Okhla Industrial Area Phase- II, New Delhi- 110 020

Ph: +91 11 2638 7281 /82 /83

Fax: +91 11 2638 7384

Email: investor@masserv.com

Visit: www.masserv.com

#### (h) Share Transfer System:

In accordance with the proviso to Regulation 40(1) of the Listing Regulations, effective from April 1,

## REPORT ON CORPORATE GOVERNANCE (Contd.)

2019, transfers of shares of the Company shall not be processed unless the shares are held in the dematerialised form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialised so as to be able to freely transfer them.

**Dematerialisation of shares and liquidity**

The Company has set up requisite facilities for dematerialisation of its equity shares in accordance with the provisions of Depository Act, 1996 with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company has entered into agreements with both the depositories. International Securities Identification Number (ISIN) for equity shares is INE291D01011. The status of dematerialisation as on 31<sup>st</sup> March, 2025 is as under:

Mode	No. of Shares	% (Percentage)
Physical Form	84,018	0.68%
Dematerialisation Form (CDSL)	20,38,289	16.57
Dematerialisation Form (NSDL)	1,01,76,973	82.75
<b>Total</b>	<b>1,25,37,117</b>	<b>100.00</b>

**(i) Credit Rating:**

The detail of credit rating obtained by the Company during the year is provided in the Board's Report, which forms a part of the Annual Report.

**(j) Unclaimed dividend**

Pursuant to the provisions of section 124 of the Companies Act, 2013 and rules made thereunder, the amount of dividend which remains unclaimed for a period of seven years from the date of transfer to unclaimed/unpaid dividend account would be transferred to the "Investor Education and Protection Fund" and the shareholders would not be able to make any claims to the amount of dividend so transferred to the Fund. The unclaimed dividend for the years till 2016-17 has already been transferred to the fund. As such, shareholders who have not yet encashed their dividend warrants are requested in their own interest to write to the Company immediately for claiming outstanding dividends declared by the Company.

The schedule for transfer of dividend for the following years remaining unclaimed for seven years from the date of declaration and which are required to be transferred by the Company to the said account is tabled below:

Year	Dividend No.	Dividend unclaimed (₹) as on 31 <sup>st</sup> March, 2025	Date of declaration	Due date for transfer
2017-18	25	4,34,358	14.07.2018	20.08.2025
2018-19	26	3,92,570	11.09.2019	17.10.2026
2019-20 (Interim Dividend )	27	3,82,630	02.03.2020	08.04.2027
2020-21	28	1,51,577	28-09-2021	03-11-2028
2021-22	29	2,62,032	27-09-2022	02-11-2029
2022-23 (Interim Dividend)	30	1,90,782	09-03-2023	14-04-2030
2022-23	31	1,69,186	29-09-2023	04-11-2030
2023-24 (Interim Dividend)	32	30,42,638	25-01-2024	01-03-2031
2023-24	33	4,04,638	27-09-2024	02-11-2032

**(k) Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity**

There are no outstanding GDRs/ADRs/Warrants or any convertible instruments issued by the Company during the year.

**(l) Commodity price risk or foreign exchange risk and hedging activities:**

The Company doesn't deal in commodity hedging. The Company do forward contracts for foreign exchange risk.

**(m) Address for correspondence**

For any grievances/ complaints, shareholders may write to the company at the following address:

**Mr. Brahm Prakash Kumar**

Company Secretary and Compliance Officer KDDL Limited

Corporate Office: 'Kamla Centre', SCO 88-89 Sector 8-C, Chandigarh-160 009

Tel: 0172-2544378, Fax: 0172- 2548302

Website: www.kddl.com

Email: investor.complaints@kddl.com

## REPORT ON CORPORATE GOVERNANCE (Contd.)

### (n) Plant/ Business Locations

Dial Units	1.	Plot No. 3, Sector III, Parwanoo – 173220 (H.P)
	2.	Haibatpur Road, Saddomajra, Near Gulmohar City Derabassi – 140507, (Punjab)
	3.	Village Dhana, Bagbania, P.O Manpura, Tehsil Baddi, Distt. Solan- 173205 (H.P)
Hands Units	1.	296-97, 5 <sup>th</sup> Main, 4 <sup>th</sup> Phase, Peenya Industrial Area, Bengaluru – 560058 (Karnataka)
	2.	408, 1 <sup>st</sup> & 2 <sup>nd</sup> Floor, 4 <sup>th</sup> Main, 11 <sup>th</sup> Cross, Peenya Industrial Area, Bengaluru – 560058 (Karnataka)
Packaging Unit	1.	Plot No. 9, Sector V, Parwanoo- 173220 (H.P.)
	2.	Plot No:219, Industrial Area-Phase I Panchkula-134113 (Haryana)
EIGEN Unit	1.	No. 55-A, Hunachur Village, Jala Hobli, Yelahanka Taluk, Bangalore North, Near Kiadb Aerospace Park, Bengaluru - 562 149 (Karnataka)
Bracelet Unit	1.	Plot No. 29-A7, Dobaspet Industrial Area, Phase-4, Honnenahalli Village, Sompura Hobli, Nelamangala Taluk, Bengaluru – 562 111 (Karnataka)

- (o) All details relating to financial and commercial transactions where Directors may have pecuniary interest are provided to the Board, and the interested Directors neither participate in the discussion, nor do they vote on such matters. In matters other than those with pecuniary interests, the Directors are considered to be interested to the extent of their shareholding in the Company and following is the status of their shareholding as on 31<sup>st</sup> March, 2025:

Sr. No.	Name of the KMP's/ Directors	Designation	Number of Equity Shares held as on 31 <sup>st</sup> March, 2025
1)	Mr. Yashovardhan Saboo	Chairman & Managing Director	22,02,173
2)	Mr. Sanjeev Kumar Masown	Whole time Director cum CFO	Nil
3)	Mr. Anil Khanna*	Non-Executive Independent Director	1,700
4)	Mr. Sanjiv Sachar	Non-Executive Independent Director	1,521
5)	Mr. Jai Vardhan Saboo	Non-Executive and Non-Independent Director	Nil
6)	Mrs. Anuradha Saboo	Non-Executive and Non-Independent Director	12,61,368
7)	Mr. Praveen Gupta	Non-Executive Independent Director	Nil
8)	Mr. Nagarajan Subramanian	Non-Executive Independent Director	40
9)	Mrs. Ranjana Agarwal*	Non-Executive Independent Director	Nil
10)	Mrs. Neelima Tripathi	Non-Executive Independent Director	Nil
11)	Mr. Chitranjan Agarwal**	Additional (Independent) Director	9,329
12)	Mr. Anurag Maheshwari**	Additional (Independent) Director	NA

\*Ceased to be Directors w.e.f 6<sup>th</sup> August 2024

\*\* Appointed w.e.f 19<sup>th</sup> May, 2025

\*\*\*Appointed w.e.f 30<sup>th</sup> May, 2025

### SUBSIDIARY COMPANIES

The financials of the subsidiary companies viz Ethos Limited, Mahen Distribution Limited, Pylania S.A, Estima AG, Kamla Tesio Dials Limited, Cognition Digital LLP & Kamla International Holdings S.A. have been duly reviewed by the audit committee and Board of Directors of the Company. KDDL Board also reviews all significant transactions, if any, entered into by the subsidiary companies.

The Company has formulated a policy for determining the material subsidiaries and the details of such policy is available in the website of the Company at web link i.e <https://www.kddl.com/wp-content/uploads/PDF/policies/KDDL-Policy-for-determiningMaterial-Subsidiaries.pdf>



## REPORT ON CORPORATE GOVERNANCE (Contd.)

## Market Price Data:

Month	KDDL Price at BSE (Rs.)		KDDL Price at NSE (Rs.)	
	High	Low	High	Low
April, 2024	2,805.65	2,381.90	2,841.20	2,355.00
May, 2024	2,890.30	2,342.60	2,897.95	2,338.05
June, 2024	3,079.75	2,250.35	3,487.00	2,254.70
July, 2024	3,571.15	3,079.75	3,568.00	3,080.00
August, 2024	3,616.40	3,068.65	3,620.00	3,070.00
September, 2024	3,801.50	2,833.00	3,815.25	2,830.00
October 2024	3,099.00	2,397.50	3,100.05	2,394.15
November, 2024	2,921.00	2,505.05	2,925.00	2,495.05
December, 2024	3,129.00	2,775.00	3,138.90	2,764.85
January, 2025	3,160.70	2,190.80	3,134.90	2,160.40
February, 2025	3,148.15	2,048.60	3,148.00	2,050.00
March, 2025	3,350.00	2,540.25	3,351.00	2,501.20

Distribution of shareholding as on 31<sup>st</sup> March, 2025:

NO OF SHARE HOLDERS	% TO TOTAL	SHARE HOLDING OF NOMINAL VALUE OF Rs.	NO. OF SHARES	AMOUNT IN Rs.	% TO TOTAL
47,516	98.143	1 TO 5000	12,08,570	1,20,85,700	9.826
407	0.841	5001 TO 10000	2,99,125	29,91,250	2.432
210	0.434	10001 TO 20000	3,06,841	30,68,410	2.495
81	0.167	20001 TO 30000	1,96,125	19,61,250	1.595
40	0.083	30001 TO 40000	1,37,723	13,77,230	1.12
21	0.043	40001 TO 50000	97,463	9,74,630	0.792
70	0.145	50001 TO 100000	5,17,352	51,73,520	4.206
70	0.145	100001 AND ABOVE	95,36,081	9,53,60,810	77.534
<b>48415</b>	<b>100</b>	<b>TOTAL</b>	<b>1,22,99,280</b>	<b>12,29,92,800</b>	<b>100</b>

Shareholding Pattern as on 31<sup>st</sup> March, 2025:

Category	Number of Shares	% of shareholding
<b>Promoters</b>		
Indian Promoters	58,78,276	47.79
Foreign Promoters	3,24,150	2.64
<b>Sub-total (1)</b>	<b>62,02,426</b>	<b>50.43</b>
<b>Public</b>		
Alternate Investment Funds	2,58,657	2.10
Foreign Portfolio Investors including FIIs	10,76,314	8.75
Central Government / President of India	14,081	0.11
Individuals	39,61,724	32.21
Directors and their relatives (excluding independent directors and nominee directors)	3	0.00
Key Managerial Personnel	2,261	0.02
Non-Resident Indians	2,70,784	2.20
Clearing Members	6,177	0.05

## REPORT ON CORPORATE GOVERNANCE (Contd.)

Category	Number of Shares	% of shareholding
Bodies Corporate	4,18,658	3.40
IEPF	88,095	0.72
Trusts	50	0.00
Sub-total (2)	60,96,854	49.57
<b>Grand-total (1+2)</b>	<b>1,22,99,280</b>	<b>100.00</b>

### VII. OTHER DISCLOSURES

- (i) During the financial year 2024-25, there were no materially significant related party transactions that may have potential conflict with the interests of the Company at large. The transactions with related parties are disclosed in the Balance Sheet.
- (ii) During the financial year 2024-25, upon completion of the tenure of the Independent Directors and their consequent cessation from the Board of Directors and from their roles as Chairperson/members of the Audit Committee on 6<sup>th</sup> August, 2024, the Board of Directors reconstituted the Committees on 14<sup>th</sup> August, 2024. No meetings of the Committee were held during the intervening period. Subsequently, the National Stock Exchange of India Limited and BSE Limited each imposed a fine of Rs. 32,000 (excluding GST) for the said deviation. The Company submitted its clarification along with waiver application with both the Exchanges, which is currently under review.
- (iii) The Company has adopted a Whistle Blower Policy and has established necessary Vigil Mechanism for Directors and employees. No person has been denied access to the Audit Committee. The said policy has also been disclosed on the website of the Company under the web link: <https://www.kddl.com/wp-content/uploads/PDF/Whistle%20Blower%20Policy.pdf>
- (iv) The Company has complied with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. In addition, the Company has also adopted the following non-mandatory requirements to the extent mentioned below:
- The financial statements of the company are with unmodified audit opinion.
  - The Internal Auditor of the Company directly reports the Audit Committee.
- (v) The Company has framed a policy for determining Material Subsidiary and the same is available on the Company's website under the web link: <https://www.kddl.com/wp-content/uploads/PDF/policies/KDDL-Policy-for-determiningMaterial-Subsidiaries.pdf>
- (vi) The company has framed Related Party Transaction Policy and the same is available on the Company's website under the web link: [https://www.kddl.com/wp-content/uploads/PDF/policies/KDDL\\_Related\\_Party\\_Transactions\\_Policy.pdf](https://www.kddl.com/wp-content/uploads/PDF/policies/KDDL_Related_Party_Transactions_Policy.pdf)
- (vii) During the financial year 2024-25, the company did not engage in commodity hedging activities.
- (viii) The Board confirm that all Independent Directors of the Company fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and are independent of the management.
- (ix) During the financial year 2023-24, the Board has accepted all the recommendations of its Committees.
- (x) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the statutory auditor is a part, is provided in the consolidated financial statements which form part of this report.
- (xi) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
- number of complaints filed during the financial year- Nil
  - number of complaints disposed of during the financial year- Nil
  - number of complaints pending as on end of the financial year- Nil
- (xii) Disclosure with respect to demat suspense account/unclaimed suspense account: Not applicable.
- (xiii) The Company has duly complied with the requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations except in respect of the matters specified below:
- Upon completion of the tenure of the Independent Directors on Board and their consequent cessation as Directors of the company and as Chairman/ members of the Audit Committee and Stakeholder Relationship Committee on 6<sup>th</sup> August, 2024, the Board of Directors reconstituted the Committees on 14<sup>th</sup> August, 2024. No meetings of the Committee were held during the intervening period.
- (xiv) There has been no instance of non-compliance of any requirement of Corporate Governance Report sub-paras (2) to (10) of Part C of Schedule V of the Listing Regulations.
- (xv) The Company has obtained a certificate from M/s. A. Arora & Co., Company Secretaries, confirming that none of the

## REPORT ON CORPORATE GOVERNANCE (Contd.)

Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority and the same forms part of this report.

(xvi) The Compliance Certificate on the financial statements for the financial year ended 31<sup>st</sup> March 2025 is enclosed at the end of this report.

(xvii) Corporate Governance Certificate

As required by Part-E of Schedule V read with Regulation 34(3) of the SEBI (LODR) Regulations, 2015, the certificate on Corporate Governance is enclosed at the end of this report.

(xviii) Code for the Board of Directors and Senior Management Personnel

The Company has laid down a code of conduct for the members of the Board and senior management personnel of the Company. The code of conduct has been posted on the Company's website, i.e. <https://www.kddl.com/wp-content/uploads/PDF/corporate/Code%20of%20Conduct25072022..pdf> of%20Conduct25072022.pdf. All the members of the Board and senior management personnel have affirmed their compliance with the said code of conduct for the financial

year ended 31<sup>st</sup> March 2025. A declaration to this effect, signed by Mr. Yashovardhan Saboo, Chairman & Managing Director of the Company is appended at the end of this report.

(xix) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under regulation 32(7A): Not Applicable.

(xx) The detail of loans and advances in the nature of loan made to the entities in which directors are interested, as per Schedule V of SEBI (LODR) Regulations, are provided in the notes to the financial statements.

(xxi) Name of the Material Subsidiary: Ethos Limited; Date and Place of incorporation – 5<sup>th</sup> November 2007; Parwanoo (Himachal Pradesh)

Name of the Statutory Auditors –

**M/s Walker Chandiok & Co. LLP**

Chartered Accountants

(ICAI Firm registration no. 001076N/N500013)

Office address: 21<sup>st</sup> Floor, DLF Square Jacaranda Marg, DLF Phase II, Gurugram- 122 002 Haryana, India

Date of appointment – 27<sup>th</sup> September, 2024

## REPORT ON CORPORATE GOVERNANCE (Contd.)

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
**KDDL Limited**  
Plot No. 3, Sector III,  
Parwanoo, Himachal Pradesh.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of KDDL Limited having CIN: L33302HP1981PLC008123 and having registered office at Plot No. 3, Sector III, Parwanoo, Himachal Pradesh (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of appointment in the company
1.	Mr. Yashovardhan Saboo	00012158	25.03.1981
2.	Mr. Jai Vardhan Saboo	00025499	12.12.2016
3.	Mr. Praveen Gupta	01885287	08.11.2014
4.	Mr. Sanjiv Sachar	02013812	07.03.2017
5.	Mr. Sanjeev Kumar Masown	03542390	30.05.2016
6.	Mr. Nagarajan Subramanian	02406548	28.07.2022
7.	Mrs. Neelima Tripathi	07588695	28.07.2022
8.	Mrs. Anuradha Saboo	01812641	12.08.2023

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 14.08.2025

Place: Chandigarh

UDIN: F002191G001009098

For **A. Arora & Co.,**  
Company Secretaries

**Ajay K. Arora**  
(Proprietor)  
M No. 2191  
C P No. 993

Peer Review Cert No. 2120/2022

**REPORT ON CORPORATE GOVERNANCE (Contd.)****COMPLIANCE CERTIFICATE**

The Board of Directors

**KDDL Limited,**

Plot No. 3, Sector – III,

Parwanoo, Distt: Solan,

(H.P – 173220)

- A. We have reviewed financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2025 and that to the best of their knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of their knowledge and belief, no transactions entered into by the listed entity during the financial year 2024-25 which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit committee that:
1. There are no significant changes in internal control over financial reporting during the year;
  2. There are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. There are no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Yashovardhan Saboo**

Chairman & Managing Director

DIN: 00012158

Date: 19<sup>th</sup> May, 2025

Place: Chandigarh

**Sanjeev Kumar Masown**

Whole time Director cum Chief Financial Officer

DIN: 03542390

**REPORT ON CORPORATE GOVERNANCE (Contd.)****CERTIFICATE ON CORPORATE GOVERNANCE UNDER SEBI (LODR) REGULATIONS, 2015**

To

**The Members of KDDL Limited**

I have examined compliance by KDDL Limited (the Company) with the requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) relating to Corporate Governance requirements for the year ended 31<sup>st</sup> March, 2025.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance under the Listing Regulations.

The examination is neither an audit nor an expression of opinion on the financial statements of the Company or the Corporate Governance Report of the Company.

In my opinion and to the best of my information and according to the explanations given to me and the representation by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

I further state that such compliance is neither an assurance to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Practicing Company Secretaries

**MAHESH KHURANA**

Membership No.: ACS.8633;

CP No.: 23104

UDIN: A008633G001006861

Date: 14<sup>th</sup> August, 2025

Place: Chandigarh

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

In accordance with regulation 34(3) read with clause D of Schedule V of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, I hereby confirm that, all Directors and the Senior Management personnel of the Company have affirmed compliance with KDDL's respective Code of Conduct, for the financial year ended 31<sup>st</sup> March, 2025.

Date: 14<sup>th</sup> August, 2025

Place: Gurugram

For **KDDL Limited**

**Yashovardhan Saboo**

Chairman & Managing Director

DIN: 00012158





# Financial Statements



# INDEPENDENT AUDITOR'S REPORT

To the Members of **KDDL Limited**

## Report on the Audit of the Standalone Financial Statements

### OPINION

1. We have audited the accompanying standalone financial statements of KDDL Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31<sup>st</sup> March 2025, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2025, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### BASIS FOR OPINION

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

### KEY AUDIT MATTERS

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matters
<b>Capitalisation of Property, Plant and Equipment-</b> Refer notes 2.2(c) for material accounting policy information and note 3, 51 and 54 to the standalone financial statements in relation to property, plant and equipment ('PPE'). During the current year, the Company has capitalised capital expenditure of ₹ 2,978 lacs with respect to setting up of two new production facilities i.e., manufacturing watch bracelets at Karnataka and packaging watch accessories at Haryana, comprising 22.31% of gross carrying value of total Property, Plant and Equipment ('PPE') as at 31 <sup>st</sup> March 2025. Such capital expenditure includes purchase costs and other costs including overheads directly attributable for bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management, which have been capitalised under various classes of PPE in accordance with the principles of Ind AS 16, Property, Plant and Equipment ('Ind AS 16').	Our audit procedures included, but were not limited to, the following: <ul style="list-style-type: none"> <li>- Obtained an understanding of the business process relating to capitalisation of PPE and assessed the appropriateness of the accounting policy adopted by the Company in accordance with Ind AS 16;</li> <li>- Evaluated the design and tested operating effectiveness of key internal financial controls with respect to the capitalisation of PPE;</li> <li>- Tested the additions made to PPE on a sample basis by checking underlying supporting documents such as invoices, goods received notes (GRNs), material receipt forms, etc. to ensure such items are recorded accurately with correct amount, in the correct class of PPE and in the correct period;</li> <li>- Obtained the completion/installation certificate provided by the technical team to determine appropriateness of timing of capitalisation;</li> </ul>

## INDEPENDENT AUDITOR'S REPORT (CONTD.)

Key audit matters	How our audit addressed the key audit matters
<p>The above non-recurring event for the Company required significant management efforts and judgement to identify costs that meet the recognition criteria under Ind AS 16, determine timing of capitalisation, classification of PPE under various classes, estimate useful lives and assign residual values to such capitalised items.</p> <p>The aforesaid capitalisation is a significant non-recurring event for the year and accounting for the same has been identified as a significant risk for our audit that required significant auditor attention and efforts. Considering the magnitude of capital expenditure incurred and the significant efforts and judgement involved, we have determined this matter to be a key audit matter for the current year audit.</p>	<ul style="list-style-type: none"> <li>- In respect to allocated overheads, checked the reasonableness and appropriateness of such allocation;</li> <li>- Assessed the appropriateness of useful economic lives and residual values with reference to the Company's historical experience, technical evaluation, requirements of Schedule II of the Companies Act, 2013 and our understanding of the Company's business; and</li> <li>- Evaluated the appropriateness and adequacy of the disclosures made in the standalone financial statements in accordance with the applicable accounting standards.</li> </ul>
<p><b>Impairment assessment of investments, loans and other balances receivable from its subsidiaries</b></p> <p>Refer note 2.2(b) for material accounting policy information and note 5, 6, 46(a) and 46(b) in notes forming part of standalone financial statements in relation to investments, loans and other balances receivable from its subsidiaries.</p> <p>As at 31<sup>st</sup> March 2025, the Company has investments in subsidiaries of ₹ 4,204 lacs, net of provision for impairment of ₹ 2,246 lacs and loans given to and other receivables from the subsidiaries aggregates to ₹ 5,486 lacs. Such investments, loans and other receivable together constitutes 10.09% of the total assets of the Company.</p> <p>At each period end, the management reviews whether any impairment indicators exist in the carrying amount of investments, loans and other balance receivable, in accordance with the requirements of Ind AS 36, "Impairment of Assets" ('Ind AS 36'), and Ind AS 109, "Financial instruments" ('Ind AS 109'), as applicable.</p> <p>As at 31<sup>st</sup> March 2025, the net carrying amount of investment in a subsidiary was higher than their net worth, which has been identified as an impairment indicator by the management. Accordingly, management has performed impairment test by determining the recoverable amount of aforesaid balances from such subsidiaries using the Discounted Cash Flow ('DCF') valuation model, which requires significant estimation and judgement around assumptions used such as projections of future cash flows, growth rates and discount rates applied etc. Changes to these assumptions could lead to material changes in estimated recoverable amounts, resulting in either additional impairment or reversals of impairment taken in prior years.</p> <p>Considering the materiality and significance of the amount involved and significant estimates and judgement involved in assumptions used for the computation of the recoverable amount, we have determined this matter to be a key audit matter for the current year audit.</p> <p>Impairment assessment of investments, loans and other balances receivable from its subsidiaries</p>	<p>Our audit procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the management's process for identification of impairment indicators for investments, loans and other balance receivable and impairment testing in accordance with Ind AS 36 and Ind AS 109 and evaluated the design and tested the operating effectiveness of key internal financial controls relating to such process;</li> <li>• Evaluated the Company's accounting policies with respect to impairment assessment and assessed its compliance with the requirements of Ind AS 36 and Ind AS 109;</li> <li>• Obtained the management's assessment on impairment indicators around the recoverability of investments, loans and other balances receivable from subsidiaries and tested the mathematical accuracy of the underlying calculations and traced such information to source financial information relating to subsidiary companies;</li> <li>• For cases where impairment indicators are present, obtained the impairment assessment working performed by the management's expert and tested the arithmetical accuracy of valuation model and traced the future cash flow projections used in such impairment assessment with the approved business plans;</li> <li>• Assessed the professional competence, objectivity and capabilities of the valuation expert used by the management for determining recoverable amount;</li> <li>• Involved auditor's valuation expert to assess the appropriateness of the valuation methodology and reasonableness of key assumptions used by management's valuation experts to determine recoverable amount;</li> <li>• Evaluated and challenged the forecasted cash flows of subsidiaries based on our knowledge of the business and the markets in which they operate and assessed the comparability of the forecasts with historical information;</li> <li>• Performed sensitivity analysis of the key assumptions, including the growth rates and discount rate applied in determining the recoverable amount to evaluate the possible variation on the current recoverable amount;</li> <li>• Reviewed the regularity of repayment of principal and payments of interest as per terms of the agreement relating to loans given to the subsidiary companies; and</li> <li>• Evaluated the appropriateness and adequacy of disclosures given in the standalone financial statements in accordance with applicable accounting standards.</li> </ul>

## INDEPENDENT AUDITOR'S REPORT (CONTD.)

### INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

6. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

7. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the standalone financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

9. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

10. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.
11. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
  - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material

## INDEPENDENT AUDITOR'S REPORT (CONTD.)

uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. 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.
  13. 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.
  14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### OTHER MATTER

15. The standalone financial statements of the Company for the year ended 31<sup>st</sup> March 2024 were audited by the predecessor auditor, S.R. Batliboi & Co. LLP, Chartered Accountants, who have expressed an unmodified opinion on those standalone financial statements vide their audit report dated 14<sup>th</sup> May 2024.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

16. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions

of and limits laid down under section 197 read with Schedule V to the Act.

17. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
18. Further to our comments in Annexure I, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, 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 purpose of our audit of the accompanying standalone financial statements;
  - b) Except for the matters stated in paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), 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 standalone financial statements dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
  - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 2025 from being appointed as a director in terms of section 164(2) of the Act;
  - f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 18(b) above on reporting under section 143(3)(b) of the Act and paragraph 18(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
  - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31<sup>st</sup> March 2025 and the operating effectiveness of such controls, refer to our separate report in Annexure II wherein we have expressed an unmodified opinion; and
  - 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, as detailed in Note 36 to the standalone financial statements, has disclosed

## INDEPENDENT AUDITOR'S REPORT (CONTD.)

- the impact of pending litigations on its financial position as at 31<sup>st</sup> March 2025;
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31<sup>st</sup> March 2025;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31<sup>st</sup> March 2025;
  - iv.
    - a. The management has represented that, to the best of its knowledge and belief, other than as disclosed in Note 45(5) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b. The management has represented that, to the best of its knowledge and belief, as disclosed in Note 45(6) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
  - v.
    - a) The final dividend paid by the Company during the year ended 31<sup>st</sup> March 2025 in

respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

- b) As stated in Note 35(ii) to the accompanying standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year ended 31<sup>st</sup> March 2025 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- vi. As stated in Note 46(c) to the standalone financial statements and based on our examination which included test checks, except for instances/ matters mentioned below, the Company, in respect of financial year commencing on 1 April 2024, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with other than the consequential impact of the exception given below. Furthermore, except for instances/ matters mentioned below, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Nature of exception noted	Details of Exception
Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software.	The audit trail feature was not enabled at the database level for accounting software to log any direct data changes, used for maintenance of all accounting records by the Company.

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Rohit Arora**

Partner

Place: Gurugram

Date: 19<sup>th</sup> May 2025

Membership No.: 504774

UDIN: 25504774BMIDMC4661



## ANNEXURE I REFERRED TO IN PARAGRAPH 17 OF THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF KDDL LIMITED ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work in progress, investment property and relevant details of right-of-use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment, capital work in progress and relevant details of right-of-use assets under which the assets are physically

verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain property, plant and equipment, capital work in progress and relevant details of right-of-use assets were verified during the year and no material discrepancies were noticed on such verification.

- (c) The title deeds of all the immovable properties including investment properties held by the Company (other than properties where the Company is a lessee), disclosed in Note 3 to the standalone financial statements, are held in the name of the Company. For properties where the Company is a lessee, the lease arrangements have been duly executed in favour of the Company except in following cases:

Description of property	Right- of-Use Asset Value (Rs.)	Location	Details of Lessor	Period held	Reason for non-execution of lease agreement
Land	5,67,000	Parwanoo, Himachal Pradesh	M/s Himanchal Fine Blanks Limited	12-13 years	Company is in process of completing formalities for transferring the title deed in its own name. Currently, the lease agreement is in the name of M/s Himanchal Fine Blanks Limited which got amalgamated with the Company in January 2013.

- (d) The Company has not revalued its property, plant and equipment including right-of-use assets or intangible assets during the year.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records. In respect of goods-in-transit, these have been confirmed from corresponding receipt and/or dispatch inventory records.
- (b) As disclosed in Note 17 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of Rs. 5 crores by banks based on the security of current assets. The quarterly statements, in respect of the working capital limits have been filed by the Company with such banks and such statements are in agreement with the books of account of the Company for the respective periods, which were subject to audit/review.

- (iii) The Company has not provided guarantee or security or granted any advances in the nature of loans to companies, firms and limited liability partnerships during the year. Further, the Company has made investments in, and granted unsecured loans to companies, firms, or any other parties during the year, in respect of which:

- (a) The Company has provided loans to others during the year as per details given below:

(Rs in lacs)	
Particulars	Loans
Aggregate amount provided during the year (Rs.):	204.69
- Others (Employees)	
Balance outstanding as at balance sheet date (Rs.):	317.18
- Others (Employees)	

- (b) In our opinion, and according to the information and explanations given to us, the investments made, guarantees provided and terms and conditions of the grant of all loans and guarantees provided are, prima facie, not prejudicial to the interest of the Company. Further, the Company has not given any security or granted any advances in the nature of loans during the year.
- (c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of

## ANNEXURE I (CONTD.)

interest has been stipulated and the repayments/receipts of principal and interest are regular.

- (d) There is no overdue amount in respect of loans granted to such other parties.
- (e) The Company has not granted any loans or advances in the nature of loans which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue loans/advances in nature of loan that existed as at the beginning of the year.
- (f) The Company has not granted any loans or advances in the nature of loans, which are repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans and investments made and guarantees and security provided by it, as applicable.
- (v) In our opinion, and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India ('the RBI'), the provisions of sections 73 to 76 or other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) as applicable, with regard to the deposits accepted or amounts which have been considered as deemed deposit. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or RBI or any Court or any other Tribunal, in this regard.
- (vi) The Central Government has specified maintenance of cost records under sub-section (1) of section 148 of the Act only in respect of specified products of the Company. For such products, we have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under the aforesaid section, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) In our opinion and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect

thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, we report that there are no statutory dues referred in sub-clause (a) which have not been deposited with the appropriate authorities on account of any dispute except for those reported in I-A.
- (viii) According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- (ix) (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us including confirmations received from banks and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
- (d) In our opinion and according to the information and explanations given to us, the Company has not raised any funds on short term basis during the year. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.
- (e) In our opinion and according to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) In our opinion and according to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries.
- (x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

## ANNEXURE I (CONTD.)

- (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 made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.
- (b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
- (c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistleblower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.
- (xiv) (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.
- (b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
- (xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- (d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- (xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- (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 in the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, the Company has transferred the remaining unspent amounts towards Corporate Social Responsibility (CSR) under sub-section (5) of section 135 of the Act, in respect of ongoing project, within a period of 30 days from the end of financial year to a special account in compliance with the provision of sub-section (6) of section 135 of the Act.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

**Rohit Arora**

Partner

Place: Gurugram

Date: 19<sup>th</sup> May 2025

Membership No.: 504774

UDIN: 25504774BMIDMC4661

**ANNEXURE I (CONTD.)**
**ANNEXURE I-A REFERRED TO IN CLAUSE (VII)(B) OF ANNEXURE I**

Name of the statute	Nature of the dues	Gross Amount (Rs. in lacs)	Amount paid under Protest (Rs. in lacs)	Period to which the amount relates*	Forum where dispute is pending
Income Tax Act, 1961	Disallowance u/s 43B	61.71	-	2023-24	CIT(A)
Income Tax Act, 1961	Disallowance u/s 43B	2.91	-	2019-20	CIT(A)
Income Tax Act, 1961	Disallowance u/s 43B	39.38	-	2018-19	AO
Goods and Service Tax, 2017	GST	21.12	-	2022-23	DGGI, Gurugram

\*Note: All the period mentioned above are financial year except for Income Tax Act, 1961 which are in Assessment years.

## ANNEXURE II TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF KDDL LIMITED ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025

### INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE STANDALONE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ('THE ACT')

1. In conjunction with our audit of the standalone financial statements of KDDL Limited ('the Company') as at and for the year ended 31<sup>st</sup> March 2025, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR INTERNAL FINANCIAL CONTROLS

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI') ("the Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

### MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

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

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

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

### OPINION

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31<sup>st</sup> March 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.:001076N/N500013

**Rohit Arora**

Partner

Place: Gurugram

Date: 19<sup>th</sup> May 2025

Membership No.: 504774

UDIN: 25504774BMIDMC4661

# STANDALONE BALANCE SHEET

AS AT 31<sup>ST</sup> MARCH 2025

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

	Note	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	13,347.00	10,177.89
Capital work-in-progress	3	1,232.29	3,432.35
Right-of-use assets	41	3,712.23	979.44
Investment property	41	177.71	12.72
Intangible assets	4	52.36	20.95
Intangible asset under development	4	-	0.90
<b>Financial assets</b>			
- Investments	5	16,482.53	13,758.71
- Loans	6	1,579.73	1,401.25
- Other financial assets	6A	204.41	471.91
Income tax assets (net)	7	399.13	286.89
Other non-current assets	8	546.13	333.17
<b>Total non-current assets</b>		<b>37,733.52</b>	<b>30,876.18</b>
<b>Current assets</b>			
Inventories	9	5,645.41	4,569.96
Financial assets			
- Trade receivables	10	6,763.01	5,150.55
- Cash and cash equivalents	11	245.29	13,605.11
- Other bank balances	12	866.47	591.72
- Loans	6	47.45	99.42
- Other financial assets	13	1,130.61	820.65
Other current assets	14	1,963.74	859.32
<b>Total current assets</b>		<b>16,661.98</b>	<b>25,696.73</b>
<b>Total assets</b>		<b>54,395.50</b>	<b>56,572.91</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	15	1,238.64	1,262.42
Other equity	16	31,900.60	38,445.53
<b>Total equity</b>		<b>33,139.24</b>	<b>39,707.95</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
- Borrowings	17	6,262.50	3,213.69
- Lease liabilities	41	2,791.77	293.73
- Other financial liabilities	18	241.91	149.03
Provisions	19	-	-
Deferred tax liabilities (net)	20	9.75	505.71
<b>Total non-current liabilities</b>		<b>9,305.93</b>	<b>4,162.16</b>
<b>Current liabilities</b>			
Financial liabilities			
- Borrowings	17	3,325.34	3,555.56
- Lease liabilities	41	705.45	150.44
- Trade payables	21		
- total outstanding dues of micro enterprises and small enterprises		209.44	175.49
- total outstanding dues of creditors other than micro enterprises and small enterprises		2,359.59	2,149.32
- Other financial liabilities	18	2,201.95	2,346.20
Other current liabilities	22	1,828.65	3,135.65
Provisions	19	827.26	620.12
Current tax liabilities (net)	23	492.65	570.02
<b>Total current liabilities</b>		<b>11,950.33</b>	<b>12,702.80</b>
<b>Total liabilities</b>		<b>21,256.26</b>	<b>16,864.96</b>
<b>Total equity and liabilities</b>		<b>54,395.50</b>	<b>56,572.91</b>
Material accounting policy information	2		
Notes to the standalone Ind AS financial statements	3-54		

The accompanying notes form an integral part of the standalone Ind AS financial statements

As per our report of even date

For **Walker Chandio & Co LLP**

Chartered Accountants

ICAI firm registration no.: 001076N/N500013

**Rohit Arora**

Partner

Membership No. 504774

Place: Gurugram

Date: 19<sup>th</sup> May 2025

For and on behalf of the Board of Directors of **KDDL Limited**

**Yashovardhan Saboo**

Chairman and Managing Director

DIN: 00012158

**Brahm Prakash Kumar**

Company Secretary

Membership no. FCS7519

Place: Chandigarh

Date: 19<sup>th</sup> May 2025

**Sanjeev Kumar Masown**

Whole time Director cum Chief Financial Officer

DIN: 03542390



# STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

	Note	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Revenue from operations	24	36,956.83	35,062.51
Other income	25	1,406.62	20,307.10
<b>Total income</b>		<b>38,363.45</b>	<b>55,369.61</b>
<b>EXPENSES</b>			
Cost of raw materials consumed	26	10,251.16	8,274.56
Changes in inventories of finished goods, work-in-progress and scrap	27	(805.85)	(104.14)
Employee benefits expenses	28	9,804.55	9,155.52
Finance costs	29	1,089.97	885.07
Depreciation and amortisation expense	30	1,875.71	1,385.70
Other expenses	31	10,268.06	10,371.87
<b>Total expenses</b>		<b>32,483.60</b>	<b>29,968.58</b>
<b>Profit before income tax</b>		<b>5,879.85</b>	<b>25,401.03</b>
Income tax expense:	32		
- Current tax		1,512.35	3,415.48
- Current tax for earlier years		(60.01)	(78.01)
- Deferred tax (credit)		(19.41)	(5.87)
- Deferred tax (credit)/charge for earlier years		(476.55)	64.47
<b>Total income tax expense</b>		<b>956.38</b>	<b>3,396.07</b>
<b>Profit for the year</b>		<b>4,923.47</b>	<b>22,004.96</b>
<b>Other comprehensive income / (expense)</b>			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit (liability) / asset		(99.27)	(120.09)
Income tax on remeasurement of defined benefit asset /(liability)		24.98	30.22
<b>Other comprehensive income/ (expense) for the year (net of income tax)</b>		<b>(74.29)</b>	<b>(89.87)</b>
<b>Total comprehensive income for the year</b>		<b>4,849.18</b>	<b>21,915.09</b>
<b>Earnings per share [nominal value of share Rs. 10 (previous year Rs. 10)]</b>			
Basic (Rs.)	33	39.68	175.52
Diluted (Rs.)		39.68	175.52
Material accounting policy information	2		
Notes to the standalone Ind AS financial statements	3-54		

The accompanying notes form an integral part of the standalone Ind AS financial statements

As per our report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants

ICAI firm registration no.: 001076N/N500013

**Rohit Arora**

Partner

Membership No. 504774

Place: Gurugram

Date: 19<sup>th</sup> May 2025

For and on behalf of the Board of Directors of **KDDL Limited**

**Yashovardhan Saboo**

Chairman and Managing Director

DIN: 00012158

**Brahm Prakash Kumar**

Company Secretary

Membership no. FCS7519

Place: Chandigarh

Date: 19<sup>th</sup> May 2025

**Sanjeev Kumar Masown**

Whole time Director cum Chief Financial Officer

DIN: 03542390

## STANDALONE STATEMENT OF CHANGE IN EQUITY

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

### A. EQUITY SHARE CAPITAL

	Note	Number of shares	Amount
<b>Balance as at 1<sup>st</sup> April 2023</b>	<b>15</b>	<b>1,25,37,117</b>	<b>1,253.72</b>
Issue of share capital during the year		-	-
<b>Balance as at 31<sup>st</sup> March 2024</b>	<b>15</b>	<b>1,25,37,117</b>	<b>1,253.72</b>
Share Capital bought back during the year		(2,37,837)	(23.78)
<b>Balance as at 31<sup>st</sup> March 2025</b>		<b>1,22,99,280</b>	<b>1,229.94</b>

### B. OTHER EQUITY

	Reserves and surplus					Total
	Securities premium	General reserve	Retained earnings	Capital Redemption Reserve	Capital reserve (on amalgamation)	
<b>Balance as at 1<sup>st</sup> April 2023</b>	<b>9,698.73</b>	<b>2,776.20</b>	<b>11,265.65</b>	<b>19.99</b>	<b>300.00</b>	<b>24,060.57</b>
Total comprehensive income for the year ended 31 <sup>st</sup> March 2024						
Profit for the year	-	-	22,004.96	-	-	22,004.96
Other comprehensive income for the year (net of income tax)	-	-	(89.87)	-	-	(89.87)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>21,915.09</b>	<b>-</b>	<b>-</b>	<b>21,915.09</b>
Expenses for buy back of equity shares (Net of tax)	-	-	(7.86)	-	-	(7.86)
Dividend (Refer to Note 35)	-	-	(7,522.27)	-	-	(7,522.27)
<b>Balance as at 31<sup>st</sup> March 2024</b>	<b>9,698.73</b>	<b>2,776.20</b>	<b>25,650.61</b>	<b>19.99</b>	<b>300.00</b>	<b>38,445.53</b>
Total comprehensive income for the year ended 31 <sup>st</sup> March 2025						
Profit for the year	-	-	4,923.47	-	-	4,923.47
Other comprehensive income for the year (net of income tax)	-	-	(74.29)	-	-	(74.29)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>4,849.18</b>	<b>-</b>	<b>-</b>	<b>4,849.18</b>
Buy back of equity shares	(8,776.19)	-	(23.78)	23.78	-	(8,776.19)
Expenses for buy back of equity shares (Net of tax)	-	-	(71.94)	-	-	(71.94)
Dividend (Refer to Note 35)	-	-	(501.48)	-	-	(501.48)
Tax on buy back of equity shares	-	-	(2,044.50)	-	-	(2,044.50)
<b>Balance as at 31<sup>st</sup> March 2025</b>	<b>922.54</b>	<b>2,776.20</b>	<b>27,858.09</b>	<b>43.77</b>	<b>300.00</b>	<b>31,900.60</b>

Note : For description of the purposes of each reserve within equity, refer note 16 of the standalone financial statements.

Material accounting policy information

2

Notes to the standalone Ind AS financial statements

3-54

The accompanying notes form an integral part of the standalone Ind AS financial statements

As per our report of even date

For and on behalf of the Board of Directors of **KDDL Limited**

For **Walker Chandiok & Co LLP**

Chartered Accountants

ICAI firm registration no.: 001076N/N500013

**Yashovardhan Saboo**

Chairman and Managing Director

DIN: 00012158

**Sanjeev Kumar Masown**

Whole time Director cum Chief Financial Officer

DIN: 03542390

**Rohit Arora**

Partner

Membership No. 504774

Place: Gurugram

Date: 19<sup>th</sup> May 2025

**Brahm Prakash Kumar**

Company Secretary

Membership no. FCS7519

Place: Chandigarh

Date: 19<sup>th</sup> May 2025

# STANDALONE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
<b>Cash flow from operating activities</b>		
<b>Profit before income tax</b>	5,879.85	25,401.03
<b>Adjustments for:</b>		
Depreciation and amortisation expenses	1,875.71	1,385.70
Liabilities/ provision no longer required written back	(29.35)	(13.57)
Net loss/(gain) on sale of property, plant and equipment	0.28	(7.24)
Interest income	(515.63)	(192.48)
Dividend income	(0.35)	(7,207.19)
Interest expense	1,047.01	879.79
Unrealised foreign exchange (gain) / loss	(115.35)	79.69
Property, plant and equipment written off	27.92	37.33
Bad debts/ advances/deposits written off	-	5.55
Profit from sale of non current Investment	-	(12,170.12)
Net change in fair value of financial assets (at FVTPL)	(0.70)	(0.59)
Impairment allowance for non current investment in subsidiaries	-	1,957.48
Change in fair value of derivative contracts	34.08	(94.24)
<b>Operating cash generated before working capital changes</b>	<b>8,203.47</b>	<b>10,061.13</b>
<b>Changes in working capital:</b>		
(Increase) in loans	(126.51)	(88.16)
(Increase) in other non-current and other current financial assets	(116.76)	(520.22)
(Increase) in other assets	(1,139.75)	(72.58)
(Increase) in inventories	(1,075.45)	(661.94)
(Increase) / Decrease in trade receivables	(1,546.97)	730.72
Increase / (Decrease) in provisions	107.87	(175.77)
Increase / (Decrease) in trade payables	253.85	(344.60)
(Decrease) / Increase in other financial liabilities	(102.88)	484.68
(Decrease) / Increase in other current liabilities	(1,314.94)	1,358.99
<b>Cash generated from operating activities</b>	<b>3,141.93</b>	<b>10,772.25</b>
Income tax (paid), net	(1,616.97)	(2,799.93)
<b>Net cash generated from operating activities (A)</b>	<b>1,524.96</b>	<b>7,972.32</b>
<b>Cash flow from investing activities</b>		
Acquisition of property, plant and equipment and intangible assets (including capital advances and capital creditors)	(2,466.76)	(3,600.04)
Proceeds from sale of property, plant and equipment	11.35	23.27
Proceeds from sale of non current Investments	-	12,231.36
Payment for purchase of non current investments in subsidiaries	(2,723.12)	(1,164.00)
Movement in other bank balances	(275.60)	117.14
Interest received	555.85	162.89
Dividend received	0.35	7,207.19
<b>Net cash (used in) / generated from investing activities (B)</b>	<b>(4,897.93)</b>	<b>14,977.80</b>
<b>Cash flow from financing activities</b>		
Buy back of Equity Shares	(8,799.97)	-
Expenses for buy back of equity shares (net of tax)	(71.94)	(7.86)
Tax paid on buy back of equity shares	(2,044.50)	-
Proceeds from non-current borrowings	4,227.80	1,132.19
Repayment of non-current borrowings	(1,424.63)	(1,652.87)
Repayments of/proceeds from current borrowings (net)	15.42	(689.48)
Principal portion of lease payments	(351.09)	(339.78)
Interest portion of lease payments	(265.52)	(74.05)
Interest expense paid	(770.92)	(724.86)
Dividend paid	(501.50)	(7,493.35)

**STANDALONE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Net cash used in financing activities (C)	(9,986.85)	(9,850.06)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(13,359.82)	13,100.07
Cash and cash equivalents at the beginning of the year	13,605.11	505.04
Cash and cash equivalents at the end of the period	245.29	13,605.11

**Notes:**
**1. Components of cash and cash equivalents:**

Balances with banks in current accounts	174.81	73.08
Balances with banks in cash credit accounts	46.59	619.86
Deposits with original maturity of less than three months	16.48	12,901.00
Cash on hand	7.41	11.17
	<b>245.29</b>	<b>13,605.11</b>

2. The above cash flow statement has been prepared under the indirect method set out in the applicable Indian Accounting Standard (Ind AS) 7 on "Statement of Cash Flows". Also, refer to note 2.2 (s).

3. Refer note 17 for reconciliation of movements of liabilities to cash flows arising from financing activities.

Material accounting policy information

2

Notes to the standalone Ind AS financial statements

3-54

The accompanying notes form an integral part of the standalone Ind AS financial statements

As per our report of even date

For and on behalf of the Board of Directors of **KDDL Limited**

For **Walker Chandio & Co LLP**

Chartered Accountants

ICAI firm registration no.: 001076N/N500013

**Yashovardhan Saboo**

Chairman and Managing Director

DIN: 00012158

**Sanjeev Kumar Masown**

Whole time Director cum Chief Financial Officer

DIN: 03542390

**Rohit Arora**

Partner

Membership No. 504774

**Brahm Prakash Kumar**

Company Secretary

Membership no. FCS7519

Place: Gurugram

Date: 19<sup>th</sup> May 2025

Place: Chandigarh

Date: 19<sup>th</sup> May 2025

# NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

### 1. CORPORATE INFORMATION

KDDL Limited ('the Company'), is a public limited company domiciled in India and was incorporated in January 1981 under the provisions of the Companies Act applicable in India. The Company is listed on BSE Limited and National Stock Exchange (NSE) of India Limited in India. The registered office of the Company is located at Plot No.3, Sector III, Parwanoo, Himachal Pradesh, India – 173220. The Corporate Identification Number (CIN) of the Company is L33302HP1981PLC008123.

The Company is primarily engaged in the business of manufacturing dials, watch hands and precision components. Currently, the Company has its manufacturing facilities, at Parwanoo (Himachal Pradesh) and Derabassi (Punjab) – dial manufacturing, Bengaluru (Karnataka) – hands, steel bracelets and precision components manufacturing.

The standalone Ind AS financial statements were approved for issue in accordance with a resolution of the directors on 19<sup>th</sup> May 2025.

### 2. MATERIAL ACCOUNTING POLICY INFORMATION

#### 2.1 Basis of preparation

These standalone Ind AS financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III).

Accounting policies have been 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 standalone Ind AS financial statements are presented in Rs. and all values are rounded to the nearest Lacs (Rs. 00,000), except when otherwise indicated.

The standalone Ind AS financial statements provide comparative information in respect of the previous year.

#### Basis of measurement

The standalone Ind AS financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value as required under relevant Ind AS.

- Certain financial assets and liabilities are measured at fair value (Refer accounting policy regarding financial instruments in Note o)
- Defined benefit plans- plan assets are measured at fair value

#### 2.2 Summary of material accounting policies

##### a. Current versus non-current classification

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

##### b. Investment in subsidiaries, associate and joint venture

A subsidiary is an entity that is controlled by another entity.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Company's investments in its subsidiaries, associates and joint ventures are accounted at cost less impairment.

#### Impairment of investments

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is recorded in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the Investment is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the cost of the Investment. A reversal of an impairment loss is recognised immediately in Statement of Profit or Loss.

##### c. Property, plant and equipment ('PPE')

#### Recognition and measurement

Property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses, if any.

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

Cost of an item of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located, if the recognition criteria is met. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Capital work-in-progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment are stated at cost of acquisition or construction which includes capitalised finance costs less accumulated depreciation and accumulated impairment loss, if any.

### Recognition criteria

The cost of an item of property, plant and equipment is recognised as an asset if and only if,

Depreciation on items of PPE is provided as per rates corresponding to the useful life specified in Schedule II to the Companies Act, 2013 read with related amendments. The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Particulars	Useful life as per Schedule II	Management estimate of useful life
Buildings – factory	30 Years	30 Years
Roads	10 Years	10 Years
Plant and equipment*	15 Years	3- 15 Years
Furniture and fittings	10 Years	10 Years
Office equipment	5 Years	5 Years
Computers	3 Years	3 Years
Vehicles	8 Years	5- 8 Years

Depreciation on improvements carried out on buildings taken on lease is provided over the period of the lease or useful life of assets, whichever is lower. Refer lease policy at point 'n' below for period of leases.

\*The Company, based on technical assessment made by technical expert and management estimate, depreciates tools included in plant and equipment over estimated useful lives of 3 and 15 years which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes

(a) It is probable that future economic benefits associated with the item will flow to the entity, and

(b) The cost of the item can be measured reliably.

Capital work-in-progress comprises the cost of property, plant and equipment that are not ready for their intended use at the reporting date, net of accumulated impairment loss, if any. Advances paid towards acquisition of PPE outstanding at each balance sheet date, are shown under other non-current assets.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

### Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised.

### Depreciation

Depreciation is calculated on cost of items of PPE less their estimated residual values over their estimated useful lives using the straight-line method and is recognised in the Statement of Profit and Loss.

that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions (disposal) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).



## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

### Derecognition

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

### d. Intangible assets

#### Acquired Intangible

Intangible assets that are acquired by the Company are measured initially at cost. Cost of an item of Intangible asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

#### Amortisation

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation expense in Statement of Profit and Loss.

The estimated useful lives are as follows:

- Technical know-how	4 Years
- Software	6 Years

Amortisation method, useful life and residual values are reviewed at the end of each financial year and adjusted if appropriate.

#### Derecognition

Intangible assets are derecognised on disposal or when no future economic benefits are expected from its use and disposal. Any gain or loss arising upon derecognition

### e. Inventories

Inventories are valued at the lower of cost and net realisable value.

The methods of determining cost of various categories of inventories are as follows:

Raw materials	Weighted average method
Traded Goods	Weighted average method
Stores and spares	Weighted average method
Work-in-progress and finished goods (manufactured)	Variable cost at weighted average including an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.
Scrap	Net realisable value

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.

Intangible asset under development that are acquired by the Company comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

#### Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

**f. Retirement and other employee benefits***Short-term employee benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., salaries and wages and bonus etc., if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

*Post-employment benefits***Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards employee provident fund and employee state insurance scheme ('ESI') to Government administered scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service. Certain employees of the Company are also participants in the superannuation plan ("the Plan"), a defined contribution plan. The Company makes contributions to Life Insurance Corporation of India (LIC). Contribution made by the Company to the plan during the year is charged to Statement of Profit and Loss. The social security costs, paid for the overseas employees, are in the nature of defined contribution schemes as per the laws of that country.

**Defined benefit plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity is a defined benefit plan. The administration of the gratuity scheme has been entrusted to the Life Insurance Corporation of India ('LIC'). The Company's net obligation in respect of gratuity is calculated separately by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements of the net defined benefit liability i.e. Gratuity, which comprise actuarial gains and losses are recognised in Other Comprehensive Income (OCI). Remeasurements are not reclassified to profit or loss in subsequent periods. The Company determines the net interest expense (income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then- net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**Compensated absences**

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. Such obligation such as those related to compensated absences is measured on the basis of an annual independent actuarial valuation using the projected unit cost credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise. The Company presents the

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

leave liability as a current liability in the balance sheet; to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

### g. Provisions

A provision is recognised 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. If the time of money is material, provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future losses are not provided for.

### h. Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are recognised when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

A contingent asset is disclosed where an inflow of economic benefits is probable.

### i. Commitments

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

### j. Revenue from contract with customer

Revenue from contracts with customers is recognised when the 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 has concluded that it is the principal in its revenue arrangement because it typically controls goods or services before transferring them to the customers.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts if any. Also, in determining the transaction price for the sale of products, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

The Company disaggregates revenue from contracts with customers by geography.

### Sale of services

The Company offers services in fixed term contracts and short term arrangement. Revenue from service is recognised when obligation is performed or services are rendered.

### Export benefits

Export incentive entitlements are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

### Contract balances

#### Trade Receivable

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section of Financial instruments – initial recognition and subsequent measurement.

### Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods or services. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)****k. Recognition of interest income or expense**

Interest income or expense is accrued on a time basis and recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

**l. Borrowing costs**

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred by the Company in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as a part of cost of the asset. Other borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**m. Taxes**

Income tax comprises current and deferred tax. It is recognised in Profit or Loss except to the extent that it relates to a business combination or an item recognised directly in equity or in other comprehensive income.

**Current income tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current income tax assets and liabilities are measured at the amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax

rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI 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 considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

**Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax liabilities are recognised for all 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 and does not give rise to equal taxable and deductible temporary differences and in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, 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

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

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 and does not give rise to equal taxable and deductible temporary differences and in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, 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.

In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the standalone financial statements and in other management reports.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized 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 profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

Sales/value added taxes/GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes/GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised

as part of the cost of acquisition of the asset or as part of the expense item, as applicable

- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

### n. Leases

#### Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Plant and equipment	3- 5 Years
Building	1- 10 Years
Leasehold land	99 Years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section Impairment of non-financial assets.

#### Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

### **Short term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of assets (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### **Company as a lessor**

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

### **Investment property**

Investment property comprises of the sub lease portion of the right-of-use asset which is initially measured

at cost. Subsequent to initial recognition, investment property is stated at cost less depreciation less impairment loss, if any. The cost includes an equivalent amount as reduced from the right-of-use asset at the time of commencement of the lease. The Company depreciates the investment property over the period of sub lease term.

### **o. Financial instruments**

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.

Financial assets

#### *Initial recognition and measurement*

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 asset. 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.

#### *Subsequent measurement*

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

#### *Debt instruments at amortised cost*

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected



## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. 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 other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

### *Debt instrument at FVOCI*

A 'debt instrument' is classified as at the FVOCI if the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and the asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

### *Debt instrument at FVTPL*

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL. In addition, at initial recognition, the Company may irrevocably elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVTPL. However, such adoption is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

### *Equity investments*

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable adoption to present in other comprehensive income subsequent changes in the fair value. The Company makes such adoption on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss to retained earnings.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

### *Impairment of financial assets*

The Company recognises loss allowances for expected credit loss on financial assets measured at amortised cost. At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Evidence that the financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- the breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial re-organisation; or
- the disappearance of active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- Bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

However, only in case of trade receivables, the Company applies the simplified approach which requires expected lifetime losses to be recognised from initial recognition of the receivables.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

The presumption under Ind As 109 with reference to significant increases in credit risk since initial recognition (when financial assets are more than 30 days past due), has been rebutted and is not applicable to the Company, as the Company is able to collect a significant portion of its receivables that exceed the due date.

*Measurement of expected credit losses*

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. difference between the cash flow due to the Company in accordance with the contract and the cash flow that the Company expects to receive).

*Presentation of allowance for expected credit losses in the balance sheet*

Loss allowance for financial assets measured at the amortised cost is deducted from the gross carrying amount of the assets.

*Write-off*

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtors do not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedure for recovery of amounts due.

*Derecognition of financial assets*

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its 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.

*Financial liabilities**Initial recognition and measurement*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

*Subsequent measurement*

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss (FVTPL)

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

- Financial liabilities at amortised cost (loans and borrowings)

A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

### *Derecognition of financial liabilities*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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 and Loss.

### *Derivative financial instruments*

The Company uses various types of derivative financial instruments to hedge its currency and interest risk etc. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

### *Offsetting*

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

### **p. Impairment of non-financial assets**

The Company's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine if there is indication of any impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate

independent cash flows are grouped together into cash generating units (CGUs). Each CGU represents the smallest Company of assets that generate cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of as CGU (or an individual asset) is the higher of its value in use and fair value less cost to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets (e.g., central office building for providing support to CGU) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

### **q. Operating Segments**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

### **r. Cash and cash equivalents**

Cash and cash equivalents in the balance sheet include cash at banks and on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and 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

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### s. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### t. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

### u. Cash dividend

The Company recognises a liability to pay dividend to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

### v. Earnings per share

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### w. Foreign currencies

The standalone Ind AS financial statements are presented in INR, which is also the Company's functional currency. Functional currency is the currency of the

primary economic environment in which a Company operates and is normally the currency in which the Company primarily generates and expends cash.

### Transactions and balances

#### *Initial recognition*

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. The standalone financial statements are presented in INR Functional currency is the currency of the primary economic environment in which the Company operates and is normally the currency in which the Company primarily generates and expends cash.

#### *Measurement at the reporting date*

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.

Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the initial transaction. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

### x. Measurement of Fair values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to measurement of fair values. This includes the top management division which is responsible for overseeing all significant fair value measurements, including Level 3 fair values. The top management division regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the top management division assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirement of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes have occurred.

Further information about the assumptions made in measuring fair values used in preparing these standalone financial statements is included in the respective notes.

## 2.3 Changes in accounting policies and disclosures

### New and amended standards

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. MCA has notified amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable w.e.f. 01<sup>st</sup> April 2024 and Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, and is effective from 01<sup>st</sup> April 2025, with the notification dated 08<sup>th</sup> May 2025. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any impact in its financial statements.

## 2.4 Significant accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### a) Determining the lease term of contracts with renewal and termination options – Company as lessee

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

**Leases** – Estimating the incremental borrowing rate: The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company ‘would have to pay’, which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

### b) Defined benefit plans

The present value of the gratuity is 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 and mortality rates. 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 for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases, and gratuity increases are based on expected future inflation rates for the respective countries.

### c) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments

to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

### d) Useful life of Property, plant and equipment and intangibles

The management estimates the useful life and residual value of property, plant and equipment and other intangible assets. These assumptions are reviewed at each reporting date.

### e) Contingencies

Refer 36 Recognition and measurement of provision and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources;

### f) Impairment of financial assets

Refer note 2.2(b) and 2.2(o) for the policy to estimate the impairment of financial assets.

### g) 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. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Company.

Refer note 2.2(p) for the policy to estimate the impairment of non-financial assets.

### h) Leases – Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate



**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

**2.5. Climate – related matters**

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Company due to both physical and transition risks. Even though the Company believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the standalone financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are Useful life of property, plant and equipment and Impairment of non-financial assets.

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

**3 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS**

**Gross carrying amount**

	Freehold land	Buildings	Leasehold improvements	Plant and equipment	Furniture and fittings	Office equipment*	Vehicles	Total	Capital work-in-progress
<b>Balance as at 1<sup>st</sup> April 2023</b>	<b>78.60</b>	<b>4,624.22</b>	<b>130.16</b>	<b>9,458.30</b>	<b>462.20</b>	<b>435.87</b>	<b>798.37</b>	<b>15,987.74</b>	<b>940.20</b>
Additions	-	129.97	-	735.52	58.03	40.24	85.98	1,049.74	3,377.91
Disposals	-	-	(1.88)	(110.69)	(0.46)	(9.41)	(33.49)	(155.93)	(885.76) <sup>#</sup>
<b>Balance as at 31<sup>st</sup> March 2024</b>	<b>78.60</b>	<b>4,754.19</b>	<b>128.28</b>	<b>10,083.13</b>	<b>519.77</b>	<b>466.70</b>	<b>850.86</b>	<b>16,881.55</b>	<b>3,432.35</b>
<b>Balance as at 1<sup>st</sup> April 2024</b>	<b>78.60</b>	<b>4,754.19</b>	<b>128.28</b>	<b>10,083.13</b>	<b>519.77</b>	<b>466.70</b>	<b>850.86</b>	<b>16,881.55</b>	<b>3,432.35</b>
Additions [refer to note (c), (d) and (f) below]	-	212.56	387.57	3,264.54	309.39	250.96	61.22	4,486.24	2,159.24
Disposals	-	-	(0.52)	(108.08)	(3.32)	(24.75)	(33.91)	(170.58)	(4359.30) <sup>#</sup>
<b>Balance as at 31<sup>st</sup> March 2025</b>	<b>78.60</b>	<b>4,966.75</b>	<b>515.33</b>	<b>13,239.59</b>	<b>825.84</b>	<b>692.91</b>	<b>878.17</b>	<b>21,197.21</b>	<b>1,232.29</b>
<b>Accumulated depreciation</b>									
<b>Balance as at 1<sup>st</sup> April 2023</b>	-	<b>722.81</b>	<b>91.19</b>	<b>4,273.69</b>	<b>208.09</b>	<b>259.41</b>	<b>140.12</b>	<b>5,695.29</b>	-
Depreciation for the year	-	164.74	21.87	694.62	37.32	66.48	125.92	1,110.95	-
Disposals	-	-	(1.88)	(67.47)	(0.35)	(6.44)	(26.43)	(102.58)	-
<b>Balance as at 31<sup>st</sup> March 2024</b>	-	<b>887.55</b>	<b>111.18</b>	<b>4,900.84</b>	<b>245.06</b>	<b>319.45</b>	<b>239.61</b>	<b>6,703.66</b>	-
<b>Balance as at 1<sup>st</sup> April 2024</b>	-	<b>887.55</b>	<b>111.18</b>	<b>4,900.84</b>	<b>245.06</b>	<b>319.45</b>	<b>239.61</b>	<b>6,703.66</b>	-
Depreciation for the year	-	169.09	29.54	801.76	47.54	88.93	140.68	1,277.54	-
Disposals	-	-	-	(88.14)	(2.03)	(15.00)	(25.86)	(131.03)	-
<b>Balance as at 31<sup>st</sup> March 2025</b>	-	<b>1,056.64</b>	<b>140.72</b>	<b>5,614.46</b>	<b>290.57</b>	<b>393.38</b>	<b>354.43</b>	<b>7,850.16</b>	-
<b>Carrying amounts (net)</b>									
<b>At 31<sup>st</sup> March 2024</b>	<b>78.60</b>	<b>3,866.64</b>	<b>17.10</b>	<b>5,182.29</b>	<b>274.71</b>	<b>147.25</b>	<b>611.25</b>	<b>10,177.89</b>	<b>3,432.35</b>
<b>At 31<sup>st</sup> March 2025</b>	<b>78.60</b>	<b>3,910.11</b>	<b>374.61</b>	<b>7,625.13</b>	<b>535.27</b>	<b>299.53</b>	<b>523.74</b>	<b>13,347.00</b>	<b>1,232.29</b>

<sup>#</sup>Represents capital work in progress capitalized during the current year and previous year.

\*Including block of computers

**Notes:**

- Refer to Note 17 for information on property, plant and equipment that are pledged as security by the Company.
- Refer to Note 36 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- The Company has capitalized its bracelet factory w.e.f. 30<sup>th</sup> September 2024 for Rs 2,313.88 including Rs 1,282.92 and Rs 987.77 towards pre-operating expenses and trial run cost, respectively and net of Rs 1,221.15 towards development and tooling cost of the test models and trial runs amount received from one of the customer.
- The Company has capitalised its packaging factory at Panchkula, Haryana w.e.f. 1<sup>st</sup> October 2024 for Rs. 664.40 including Rs. 139.19 towards pre-operating expenses and trial run cost.
- The title deeds of the immovable properties are held in the name of the Company.
- The Company has capitalised the following expenses/(income) to the cost of property, plant and equipment/capital work-in-progress (CWIP) during the trial run / construction period. Consequently, expenses and income disclosed under the respective notes are net of amounts capitalized by the Company.

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
Raw Materials Consumed	384.92	180.05
Salaries and Wages	709.78	363.59
Contributions to provident and other funds	83.88	49.71
Staff welfare expenses	63.08	42.23
Stores and spares consumed	153.18	91.79
Power, fuel, water and electricity charges	66.43	37.94
Contractual labour expenses	175.94	76.05
Insurance	5.61	4.86
Rent	461.40	199.64
Rates and Taxes	10.01	7.16
Repair and Maintenance- Building	7.46	6.04
Repair and Maintenance- Others	79.74	40.87
Legal and professional fees	89.05	85.75
Travelling and conveyance	119.43	87.97
Bank Charges	7.60	6.25
Printing and stationery	8.40	5.33
Communication expenses	10.93	6.67
Security service charges	38.63	21.11
Miscellaneous expenses	37.13	23.16
	<b>2,512.60</b>	<b>1,336.20</b>
Less : Sales made during the year	(727.08)	(21.64)
	<b>1,785.52</b>	<b>1,314.56</b>

### Capital work in progress (CWIP) Ageing Schedule

As at 31 <sup>st</sup> March 2025	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	1,135.23	-	-	7.58	1,142.81
Material purchased for inhouse development of tools	51.40	13.78	4.28	20.02	89.48
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>1,186.63</b>	<b>13.78</b>	<b>4.28</b>	<b>27.60</b>	<b>1,232.29</b>

As at 31 <sup>st</sup> March 2024	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	2,643.91	682.94	-	10.98	3,337.83
Material purchased for inhouse development of tools	59.04	10.92	4.93	19.63	94.52
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>2,702.95</b>	<b>693.86</b>	<b>4.93</b>	<b>30.61</b>	<b>3,432.35</b>

There are no project whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2024-25 and 2023-24.

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

**4 INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT**

**Gross carrying amount**

	Technical know-how*	Softwares*	Total	Intangible asset under development
<b>Balance as at 1<sup>st</sup> April 2023</b>	<b>23.03</b>	<b>174.42</b>	<b>197.45</b>	-
Additions- acquired	-	10.28	10.28	9.40
Disposals	-	-	-	(8.50)
<b>Balance as at 31<sup>st</sup> March 2024</b>	<b>23.03</b>	<b>184.70</b>	<b>207.73</b>	<b>0.90</b>
Balance as at 1 <sup>st</sup> April 2024	23.03	184.70	207.73	0.90
Additions- acquired	-	44.04	44.04	0.90
Disposals	-	(4.45)	(4.45)	(1.80)
<b>Balance as at 31<sup>st</sup> March 2025</b>	<b>23.03</b>	<b>224.29</b>	<b>247.32</b>	-
<b>Accumulated amortisation</b>				
Balance as at 1 <sup>st</sup> April 2023	23.03	151.88	174.91	-
Amortisation for the year	-	11.87	11.87	-
Disposals	-	-	-	-
<b>Balance as at 31<sup>st</sup> March 2024</b>	<b>23.03</b>	<b>163.75</b>	<b>186.78</b>	-
Balance as at 1 <sup>st</sup> April 2024	23.03	163.75	186.78	-
Amortisation for the year	-	12.63	12.63	-
Disposals	-	(4.45)	(4.45)	-
<b>Balance as at 31<sup>st</sup> March 2025</b>	<b>23.03</b>	<b>171.93</b>	<b>194.96</b>	-
<b>Carrying amounts (net)</b>				
<b>At 31<sup>st</sup> March 2024</b>	-	<b>20.95</b>	<b>20.95</b>	<b>0.90</b>
<b>At 31<sup>st</sup> March 2025</b>	-	<b>52.36</b>	<b>52.36</b>	-

\*All the above assets are acquired assets.

**Intangible assets under development (IAUD) Ageing Schedule**

As at 31 <sup>st</sup> March 2025	Amount in IAUD for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

As at 31 <sup>st</sup> March 2024	Amount in IAUD for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	0.90	-	-	-	0.90
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>0.90</b>	-	-	-	<b>0.90</b>

There are no project whose completion is overdue or has exceeded its cost compared to its original plan during the financial year 2024-25 and 2023-24.

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

### 5 INVESTMENTS

	Note	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Non-current investments</b>			
<i>Quoted investments</i>			
<b>Investment in equity shares (at cost)</b>			
Subsidiary companies (at cost):			
- Ethos Limited 11,513,877 (31 <sup>st</sup> March 2024: 11,513,877) equity shares of Rs. 10 each fully paid up	(a), (b)	11,720.27	11,720.27
<i>Unquoted investments</i>			
<b>Investment in equity shares (at cost)</b>			
Subsidiary companies (at cost):			
- Pylania SA, Switzerland 20,000 (31 <sup>st</sup> March 2024: 7,550) equity shares of Swiss Franc (CHF) 100 each fully paid up	(e)	2,259.40	281.24
- Mahen Distribution Limited 6,005,700 (31 <sup>st</sup> March 2024: 6,005,700) equity shares of Rs 10 each fully paid up		936.00	936.00
- Kamla International Holdings SA, Switzerland 26,000 (31 <sup>st</sup> March 2024: 26,000) equity shares of Swiss Franc (CHF) 100 each fully paid up		1,944.36	1,944.36
- Kamla Tesio Dials Limited 999,930 (31 <sup>st</sup> March 2024: 999,930) equity shares of Rs. 10 each fully paid up	(c)	62.84	62.94
- Silvercity Brands AG 1,500,000 (31 <sup>st</sup> March 2024: 1,500,000) equity shares of Swiss Franc (CHF) 1 each fully paid up	(d)	1,466.45	740.94
		<b>18,839.32</b>	<b>15,685.75</b>
Other Companies (Fair value through profit or loss):			
- Karolview Developers Private Limited 500,000 (31 <sup>st</sup> March 2024: 500,000) equity shares of Rs. 10 each fully paid up		43.54	43.55
- Shivalik Waste Management Limited 17,500 (31 <sup>st</sup> March 2024: 17,500) equity shares of Rs. 10 each fully paid up		7.15	6.43
		<b>50.69</b>	<b>49.98</b>
		<b>18,440.01</b>	<b>15,735.73</b>
<b>Impairment in value of investments</b>			
Subsidiary companies:			
- Kamla Tesio Dials Limited		-	19.54
- Pylania SA, Switzerland	(f)	85.67	85.67
- Kamla International Holdings SA, Switzerland	(f)	1,871.81	1,871.81
		<b>1,957.48</b>	<b>1,977.02</b>
<b>Total non-current investments</b>		<b>16,482.53</b>	<b>13,758.71</b>
Aggregate book value of quoted investments		11,720.27	11,720.27
Aggregate Market value of quoted investments		2,86,079.54	2,97,915.81
Aggregate value of unquoted investments		4,762.26	2,038.44
Aggregate amount of impairment in value of investments		1,957.48	1,977.02

#### Notes:

- This includes Rs. 36.07 (31<sup>st</sup> March 2024: Rs. 36.07) which represents dividend on investment in preference shares of Ethos Limited which has been waived by the Company and is considered as quasi equity contribution as it is no longer payable by Ethos Limited.
- During the previous year, the Company had bought 24,370 equity shares of Ethos Limited, (a subsidiary company) for a consideration of Rs. 397.87. Also, the Company had sold 4,90,000 equity shares of Ethos Limited for a consideration of Rs. 12,244.90.
- During the previous year, the Company had further acquired 3,00,000 equity shares for Rs. 12.94 of Kamla Tesio Dials Limited.

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

- (d) During the year, the Company has invested Rs. 725.51 (31<sup>st</sup> March 2024 : Rs. 740.94) equivalent to CHF 7,87,500 (31<sup>st</sup> March 2024 : CHF 7,87,500) as second and final instalment against 15,00,000 equity shares of CHF 1 each of Silvercity Brands AG.
- (e) During the year, the Company has further acquired 12,450 equity shares of CHF 100 each of Pylania SA for Rs. 1,978.16 (CHF 19,92,000) from Kamla International Holdings SA.
- (f) During the previous year, impairment indicators were identified in relation to investments made in equity shares of foreign subsidiaries of the Company, Kamla International Holdings SA and Pylania SA. As on 31<sup>st</sup> March 2024, the Company was carrying an investment of Rs. 2,225.60 in said subsidiaries. An impairment assessment had been carried out by the Comparing the carrying value of the investments in subsidiaries to its recoverable amount to determine whether an impairment provision was required to be recognised. Based on the above assessment, the Company had recognised impairment allowance in value of investment aggregating to Rs. 1,957.48.

### 6 LOANS

*(Unsecured and considered good)*

	Non-Current	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Loan to related party (refer to note 38)	1,344.70	1,275.12
Loan to employees		
- to related party (refer to note 38)	142.43	73.21
- to others	92.60	52.92
	<b>1,579.73</b>	<b>1,401.25</b>
	Current	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Loan to employees		
- to related party (refer to note 38)	17.90	21.47
- to others	29.55	77.95
	<b>47.45</b>	<b>99.42</b>

### 6A OTHER FINANCIAL ASSETS

*(Unsecured and considered good)*

	Non-Current	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Security deposits (carried at amortised cost)	204.41	471.91
	<b>204.41</b>	<b>471.91</b>

### 7 INCOME TAX ASSET (NET)

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Advance income-tax (net of provision)	399.13	286.89
	<b>399.13</b>	<b>286.89</b>

### 8 OTHER NON-CURRENT ASSETS

*(Unsecured and considered good)*

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Capital advances	475.32	297.68
Prepaid expenses	70.81	35.49
	<b>546.13</b>	<b>333.17</b>



## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

### 9 INVENTORIES<sup>^</sup>

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Raw materials**	3,051.69	2,854.10
Work-in-progress	1,626.54	1,062.61
Finished goods	323.35	70.72
Stores and spares	643.83	571.82
Scrap	-	10.71
	<b>5,645.41</b>	<b>4,569.96</b>

\*Includes goods-in-transit- raw materials amounting to Rs. Nil (Previous year: Rs. 141.87)

#After adjusting provision for inventory made during the year amounting to Rs. 79.85 (Previous year: Rs. 86.46)

<sup>^</sup>Refer to Note 17 for information on inventory that are pledged as security by the Company.

### 10 TRADE RECEIVABLES<sup>#</sup>

(Unsecured, considered good, unless otherwise stated)

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Trade receivables from related parties (refer to note 38)	304.49	305.86
Trade receivables from others	6,459.52	4,845.69
Less : Allowance for expected credit loss	(1.00)	(1.00)
	<b>6,763.01</b>	<b>5,150.55</b>

#### Break-up of security details

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Trade receivable considered good- unsecured	6,763.01	5,150.55
Trade receivables which have significant increase in credit risk	-	-
Trade receivable- credit impaired	1.00	1.00
<b>Total</b>	<b>6,764.01</b>	<b>5,151.55</b>
Allowance for expected credit loss	(1.00)	(1.00)
<b>Total trade receivables</b>	<b>6,763.01</b>	<b>5,150.55</b>

Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days.

#### Trade receivables ageing schedule

As at 31 <sup>st</sup> March 2025	Outstanding for following periods from due date of payment						Total
	Not Due	< 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	> 3 years	
Undisputed Trade Receivable- considered good	5,487.42	1,245.81	29.27	0.51	-	-	6,763.01
Undisputed Trade Receivable- which have significant increase in credit risk	-	-	-	-	-	1.00	1.00
Undisputed Trade Receivable- credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>5,487.42</b>	<b>1,245.81</b>	<b>29.27</b>	<b>0.51</b>	<b>-</b>	<b>1.00</b>	<b>6,764.01</b>

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

As at 31 <sup>st</sup> March 2024	Outstanding for following periods from due date of payment						Total
	Not Due	< 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	> 3 years	
Undisputed Trade Receivable-considered good	4,223.46	806.07	120.70	0.32	-	-	5,150.55
Undisputed Trade Receivable-which have significant increase in credit risk			-	-	1.00	-	1.00
Undisputed Trade Receivable-credit impaired			-	-	-	-	-
<b>Total</b>	<b>4,223.46</b>	<b>806.07</b>	<b>120.70</b>	<b>0.32</b>	<b>1.00</b>	<b>-</b>	<b>5,151.55</b>

#The Company's exposure to credit and currency risk, and loss allowances related to trade receivables are disclosed in Note 34B.

**11 CASH AND CASH EQUIVALENTS**

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Balances with banks		
- in current accounts	174.81	73.08
- in cash credit accounts	46.59	619.86
Deposits with original maturity of less than three months	16.48	12,901.00
Cash on hand	7.41	11.17
	<b>245.29</b>	<b>13,605.11</b>

There are no other repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting period and prior period

**12 OTHER BANK BALANCES**

	Note	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Deposit accounts with original maturity more than 3 months and maturing within 12 months from the reporting date	(a)	812.16	536.56
Balance in unclaimed dividend accounts		54.31	55.16
		<b>866.47</b>	<b>591.72</b>

Note:

- (a) These deposits represent restricted bank deposits amounting to Rs. 346.70 (31<sup>st</sup> March 2024: Rs. 536.56) on account of deposits pledged as security for deposits from shareholders, bank guarantee and margin money.

**13 OTHER FINANCIAL ASSETS**
*(Unsecured and considered good)*
**Carried at amortized cost unless otherwise stated**

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Interest receivable from related party (refer to note 38)	24.87	75.51
Interest accrued but not due on deposits	49.30	38.88
Derivatives Financial instruments (Fair Value through statement of Profit and Loss)	55.92	90.00
Recoverable from related parties (refer to note 38)	112.04	22.73
Recoverable from / balance with government authorities	496.64	529.17
Recoverable from others	2.96	6.28
Security deposits	388.88	58.08
	<b>1,130.61</b>	<b>820.65</b>

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

### 14 OTHER CURRENT ASSETS

(Unsecured and considered good)

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Recoverable from / balance with government authorities	316.71	252.57
Advances for supply of goods and services (refer to note 38)	1,210.23	287.95
Advances to employees		
- to related parties (refer to note 38)	17.86	1.71
- to others	122.21	154.08
Prepaid expenses	296.73	147.50
Prespent CSR expenditure [refer to note 31(b)]	-	15.51
	<b>1,963.74</b>	<b>859.32</b>

### 15 EQUITY SHARE CAPITAL

#### (i) Detail of Share Capital

	As at 31 <sup>st</sup> March 2025		As at 31 <sup>st</sup> March 2024	
	Number of shares	Amount	Number of shares	Amount
<b>Authorised</b>				
Equity shares of Rs. 10 each	2,80,00,000	2,800.00	2,80,00,000	2,800.00
	<b>2,80,00,000</b>	<b>2,800.00</b>	<b>2,80,00,000</b>	<b>2,800.00</b>
<b>Issued</b>				
Equity shares of Rs. 10 each	1,27,11,397	1,271.14	1,27,11,397	1,271.14
	<b>1,27,11,397</b>	<b>1,271.14</b>	<b>1,27,11,397</b>	<b>1,271.14</b>
<b>Subscribed and paid up capital</b>				
Equity shares of Rs. 10 each fully paid up	1,22,99,280	1,229.93	1,25,37,117	1,253.71
Forfeited equity shares of Rs.10 each	1,74,280	8.71	1,74,280	8.71
	<b>1,24,73,560</b>	<b>1,238.64</b>	<b>1,27,11,397</b>	<b>1,262.42</b>

#### (ii) Rights, preferences and restrictions attached to shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

#### (iii) Reconciliation of the shares outstanding at beginning and at the end of the year

Particulars	As at 31 <sup>st</sup> March 2025		As at 31 <sup>st</sup> March 2024	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	1,25,37,117	1,253.71	1,25,37,117	1,253.71
Add: shares issued during the year	-	-	-	-
Less: Shares extinguished on buy back during the year (Refer to Note 48)	2,37,837	23.78	-	-
<b>Balance at the end of the year</b>	<b>1,22,99,280</b>	<b>1,229.93</b>	<b>1,25,37,117</b>	<b>1,253.71</b>

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**
**(iv) Details of Equity shares held by shareholders holding more than 5% of the aggregate equity shares in the Company:**

	As at 31 <sup>st</sup> March 2025		As at 31 <sup>st</sup> March 2024	
	Number of shares	% of equity shares held	Number of shares	% of equity shares held
Yashovardhan Saboo	22,02,173	17.90%	22,14,664	17.66%
Rajendra Kumar Saboo (RKS JS Family Trust)	13,92,098	11.32%	14,16,683	11.30%
Pranav Shankar Saboo	-	0.00%	8,16,632	6.51%
Anuradha Saboo	12,61,368	10.26%	4,66,438	3.72%

**(v) Bonus shares, shares buyback and issue of shares for consideration other than in cash (during five years immediately preceding 31<sup>st</sup> March 2025)**

During the five years immediately preceding 31<sup>st</sup> March 2025, no bonus shares have been issued. During the year, Company has bought back 2,37,837 equity shares for an aggregate amount of Rs. 8,799.97 being 1.90% of the total paid up equity share capital at average price of Rs. 3,700 per equity share. The equity shares bought back were extinguished on 23<sup>rd</sup> September 2024. Also during the year ended 31<sup>st</sup> March 2023, the Company bought back 1,99,947 equity shares for an aggregate amount of Rs. 2,099.99 being 1.57% of the total paid up equity share capital at average price of Rs. 1,050 per equity share, bought back for these equity shares were extinguished on 14<sup>th</sup> February 2023.

Further, no shares have been issued for consideration other than cash except during the year ended 31<sup>st</sup> March 2020, 16,500 equity shares of Rs. 10 each was issued under employee stock option plans for which only exercise price had been received in cash.

**(vi) Equity shares of Rs. 10 each fully paid up held by**

Promoters Shareholdings		As at 31 <sup>st</sup> March 2025			As at 31 <sup>st</sup> March 2024		
S. No.	Promoter's Name	Number of shares	% of total shares	% change during the year	Number of shares	% of total shares	% change during the year
1	Rajendra Kumar Saboo (HUF)	-	0.00%	(0.62%)	77,820	0.62%	0.00%
2	Yashovardhan Saboo (HUF)	-	0.00%	0.00%	-	0.00%	(0.44%)
3	Rajendra Kumar Saboo	1,564	0.01%	0.00%	1,591	0.01%	0.00%
4	Yashovardhan Saboo	22,02,173	17.90%	0.24%	22,14,664	17.66%	0.02%
5	Usha Devi Saboo	99	0.00%	0.00%	100	0.00%	0.00%
6	Anuradha Saboo	12,61,368	10.26%	6.54%	4,66,438	3.72%	0.14%
7	Asha Devi Saboo (Veena Kanoria Family Trust)	-	0.00%	0.00%	-	0.00%	(0.09%)
8	Satvika Saboo	1,65,979	1.35%	0.00%	1,68,909	1.35%	0.14%
9	Pranav Shankar Saboo	-	0.00%	(6.51%)	8,16,632	6.51%	0.14%
10	Vardhan Properties and Investment Private Limited	37,518	0.31%	0.00%	38,153	0.30%	0.02%
11	Dream Digital Technology Private Limited	28,925	0.24%	0.00%	29,415	0.23%	0.00%
12	Saboo Ventures LLP	64,817	0.53%	0.00%	65,915	0.53%	0.10%
13	Usha Devi Saboo (UDS JS Family Trust)	1,66,853	1.36%	0.00%	1,69,800	1.35%	0.00%
14	Rajendra Kumar Saboo (RKS JS Family Trust)	13,92,098	11.32%	0.02%	14,16,683	11.30%	0.00%
15	Swades Capital LLC	3,24,150	2.64%	0.05%	3,24,150	2.59%	0.00%
16	Rajendra Kumar Saboo (ASP Saboo Family Trust)	5,05,001	4.11%	0.08%	5,05,001	4.03%	0.00%
17	Jai Vardhan Saboo	25,940	0.21%	0.21%	-	0.00%	0.00%
18	Veena Kanoria	25,941	0.21%	0.21%	-	0.00%	0.00%
	<b>Total</b>	<b>62,02,426</b>	<b>50.43%</b>		<b>62,95,271</b>	<b>50.20%</b>	

**16 OTHER EQUITY**
*(also refer to Statement of Changes in Equity)*
**(i) Securities premium**

Securities premium represents the excess consideration received by the Company over the face value of the shares issued to shareholders. This will be utilised in accordance with the applicable provisions of the Companies Act, 2013.

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

### (ii) General reserve

The General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the General reserve will not be reclassified subsequently to the Statement of Profit and Loss.

### (iii) Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Remeasurements of defined benefit obligation comprises actuarial gains and losses and return on plan assets (excluding interest income).

### (iv) Capital Reserve (on amalgamation)

Capital Reserve has been created pursuant to the scheme of amalgamation with Satva Jewellery and Design Limited approved by the Hon'ble National Company Law Tribunal.

### (v) Capital Redemption Reserve

The Company has bought back 2,37,837 equity shares during the year. Accordingly, Section 69 of Companies Act, 2013 require to create capital redemption reserve equal to nominal value of shares bought back where the company purchases its own shares out of free reserves or security premium account. Therefore, the Company has transferred the amount equal to nominal value to capital redemption reserve out of its free reserves. Also the Company had bought back 1,99,947 equity shares during the year ended 31<sup>st</sup> March 2023.

## 17 BORROWINGS

	Note	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>(i) Non-current borrowings</b>			
Term loans			
From banks (secured)	(a)	229.01	308.09
From others (secured)	(b)	3,670.11	1,392.65
		<b>3,899.12</b>	<b>1,700.74</b>
Deposits from shareholders and directors			
Related parties (unsecured) (refer to note 38)	(c)		
- From Directors		128.62	751.63
- From Others		916.04	556.68
From others (unsecured)	(c)	2,927.60	2,059.16
		<b>3,972.26</b>	<b>3,367.47</b>
Total non-current borrowings (including current maturities)		<b>7,871.38</b>	<b>5,068.21</b>
Less : Current maturities of non-current borrowings (refer to note 17(ii))		1,608.88	1,854.52
		<b>6,262.50</b>	<b>3,213.69</b>

### Notes:

- Vehicle loans from banks amounting to Rs. 229.01 (31<sup>st</sup> March 2024: Rs. 308.09) carrying interest rate in the range of 6.90% to 9.50% (previous year 6.90% to 9.50%) per annum are secured against hypothecation of specific vehicle purchased out of the proceeds of those loans. The loans are to be repaid with in a period of 1 - 4 years as per the respective repayment schedule in equal monthly installments.
- Term loan from Bajaj Finance Limited amounting to Rs. Nil (31<sup>st</sup> March 2024: Rs. 222.07) carrying interest rate as 9.35% (previous year 9.35%) is secured by way of first pari passu charge over movable fixed assets of the Company (except for specific vehicles pledged against respective loans). Also, it is secured by way of second pari passu charge over leasehold Land & building and Plant & machinery constructed at Bengaluru (Plot No. 55-A, Aerospace Sector) Hitech, Aerospace and Defence Park, Devanahalli,

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

Bengaluru. The loan was to be repaid in 18 instalments of Rs. 55.55 as per the repayment schedule in equal quarterly installments commencing from 05<sup>th</sup> September 2021. The Last instalment was repaid on 05<sup>th</sup> March 2025.

Term loan from Bajaj Finance Limited amounting to Rs. Nil (31<sup>st</sup> March 2024: Rs. 187.27) carrying interest rate as 9.35% (previous year 9.35%) is secured by way of second pari passu charge over leasehold Land & building and Plant & machinery constructed at Bengaluru (Plot No. 55-A, Aerospace Sector) Hitech, Aerospace and Defence Park, Devanahalli, Bengaluru. The loan was to be repaid in 48 instalments as per the repayment schedule commencing from 5<sup>th</sup> April 2022 with one year of moratorium from the drawdown. The last instalment was repaid on 5<sup>th</sup> March 2025.

Term loan from Bajaj Finance Limited amounting to Rs. 660.64 (31<sup>st</sup> March 2024: Rs. 961.00) carrying interest rate of 9.25% (previous year 9.30%) is secured by way of extension of charge on exclusive basis over leasehold Land & building and Plant & machinery at Bengaluru (Plot No. 55-A, Aerospace Sector) Hitech, Aerospace and Defence Park, Devanahalli, Bengaluru. The loan is to be repaid in 48 instalments as per the repayment schedule commencing from 5<sup>th</sup> January 2023 with one year of moratorium from the drawdown. The last instalment would be paid on 5<sup>th</sup> February 2027.

Term loan from Bajaj Finance Limited amounting to Rs. 3,000.00 (31<sup>st</sup> March 2024: Rs. Nil) carrying interest rate of 8.90% (previous year Nil) is secured by way of extension of charge on exclusive basis over leasehold Land & building and Plant & machinery at Bengaluru (Plot No. 55-A, Aerospace Sector) Hitech, Aerospace and Defence Park, Devanahalli, Bengaluru. The loan is to be repaid in 72 instalments as per the repayment schedule commencing from 5<sup>th</sup> March 2025. The last instalment would be paid on 5<sup>th</sup> February 2031.

Vehicle loans from Toyota Financial Services India Limited amounting to Rs. 9.47 (31<sup>st</sup> March 2024: Rs. 22.31) carrying interest rate of 7.43% (previous year 7.43%) per annum are secured against hypothecation of specific vehicle purchased out of the proceeds of the loan. The loan is to be repaid with in a period of 1 year as per the repayment schedule in equal monthly installments.

- (c) Deposits from shareholders and directors amounting to Rs. 3,972.26 (31<sup>st</sup> March 2024: Rs. 3,367.47) carrying interest rates in the range of 9.00% to 10.25% (previous year 9.00% to 11.25%) per annum are repayable in 1 years to 3 years from the respective dates of deposit.

	Note	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>(ii) Current borrowings</b>			
Loans repayable on demand			
From banks (secured)	(a)	127.57	237.55
Liability against utilisation of bill discounting facility			
From bank (secured)	(b)	994.47	261.15
Deposit from shareholders and directors (unsecured)			
Related parties (unsecured) (refer to note 38)			
- From Directors	(c)	362.30	297.16
- From Others	(c)	167.46	315.60
From others (unsecured)	(c)	64.66	589.58
Current maturities of non-current borrowings [refer to note 17(i)]		1,608.88	1,854.52
		<b>3,325.34</b>	<b>3,555.56</b>

**Notes:**

- (a) Working capital borrowings from banks amounting to Rs. 127.57 (31<sup>st</sup> March 2024: Rs. 237.55) carrying interest rate varying from 8.50% to 9.75% (previous year 8.60% to 11.85%) per annum are secured by hypothecation of stocks of stores and spares, raw materials and components, finished goods and stock-in-process and book debts and other current assets of the Company (both present and future), on pari passu basis and are further secured by a second charge on the entire movable fixed assets of the Company and immovable property situated at Haibatpur Road, Saddomajra, Derabassi, Mohali, Punjab (no first charge created on this property).
- (b) Liability against utilisation of bill discounting facility from bank amounting to Rs. 994.47 (31<sup>st</sup> March 2024: Rs. 261.15) carrying interest rate of 8.20% to 8.28% (previous year: 8.10% to 8.25%) per annum is secured by hypothecation of stocks of stores and spares, raw materials and components, finished goods and stock-in-process and book debts and other current assets of the Company (both present and future), on pari passu basis and are further secured by a second charge on the entire movable fixed



## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

assets of the Company and immovable property situated at Haibatpur Road, Saddomajra, Derabassi, Mohali, Punjab (no first charge created on this property).

- (c) Deposits from shareholders and directors amounting to Rs. 594.42 (31<sup>st</sup> March 2024: Rs. 1,202.34) carrying interest rates in the range of 8.00% to 9.00% (previous year 8.00% to 9.00%) per annum are repayable within 1 year from the respective dates of deposit.
- (d) The Company has filed quarterly statements of current assets with the banks in agreement with the books of accounts.

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>(iii) Reconciliation of movements of liabilities to cash flows arising from financing activities</b>		
<b>Balance as at the beginning of the year (including current and non-current borrowings)</b>	<b>6,769.25</b>	<b>7,979.41</b>
Proceeds from non-current borrowings	4,227.80	1,132.19
Repayment of non-current borrowings*	(1,424.63)	(1,652.87)
Repayments of/proceeds from current borrowings (net)	15.42	(689.48)
<b>Balance as at the end of the year (including current and non-current borrowings)</b>	<b>9,587.84</b>	<b>6,769.25</b>

\*Repayment of non-current borrowings includes current maturities of non-current borrowings, disclosed under current borrowings in earlier year.

### 18 OTHER FINANCIAL LIABILITIES

	Non-Current	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Interest accrued but not due (refer to note 38)	240.85	147.97
Security Deposits	1.06	1.06
	<b>241.91</b>	<b>149.03</b>
	Current	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Derivatives Financial instruments (Fair Value through statement of Profit or Loss)	-	-
Interest accrued but not due (refer to note 38)	154.27	234.97
Unpaid dividends*	54.31	55.18
Capital creditors	151.82	111.62
Employee related payables (refer to note 38)	1,841.55	1,944.43
	<b>2,201.95</b>	<b>2,346.20</b>

\* not due for deposit to investor education and protection fund

### 19 PROVISIONS

	Non-Current		Current	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Provisions for employee benefits				
Liability for gratuity (refer to note 37)	-	-	209.05	96.85
Liability for compensated absences	-	-	618.21	523.27
	<b>-</b>	<b>-</b>	<b>827.26</b>	<b>620.12</b>

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

**20 DEFERRED TAX LIABILITIES (NET)**

	<b>As at 31<sup>st</sup> March 2025</b>	<b>As at 31<sup>st</sup> March 2024</b>
<b>Deferred tax liabilities on</b>		
- Excess depreciation as per Income tax Act, 1961 over depreciation as per books	683.50	625.67
- Right of use assets	841.17	116.46
- MTM Gain on foreign exchange contracts	14.07	22.65
<b>Deferred tax liabilities (A)</b>	<b>1,538.74</b>	<b>764.78</b>
<b>Deferred tax assets on</b>		
- MTM loss on foreign exchange contracts	-	-
- Expected credit loss allowance	0.25	0.25
- Impairment in Value of investments	492.66	-
- Provision for employee benefits	155.59	131.70
- Lease liabilities	880.49	127.12
<b>Deferred tax assets (B)</b>	<b>1,528.99</b>	<b>259.07</b>
<b>Net deferred tax liabilities (A - B)</b>	<b>9.75</b>	<b>505.71</b>

**(b) Movement in temporary differences:**

<b>2023-2024</b>	<b>As at 01 April 2023</b>	<b>Recognised in Statement of Profit and Loss / other comprehensive income</b>	<b>As at 31<sup>st</sup> March 2024</b>
- Excess depreciation as per Income tax Act, 1961 over depreciation as per books	639.09	(13.42)	625.67
- MTM Gain/(loss) on foreign exchange contracts	(1.07)	23.72	22.65
- Expected credit loss allowance	(0.70)	0.45	(0.25)
- Provision for employee benefits	(172.99)	41.29	(131.70)
- Right of use assets	60.21	56.25	116.46
- Lease liabilities	(77.42)	(49.70)	(127.12)
	<b>447.12</b>	<b>58.59</b>	<b>505.71</b>

<b>2024-2025</b>	<b>As at 01 April 2024</b>	<b>Recognised in Statement of Profit and Loss / other comprehensive income</b>	<b>As at 31<sup>st</sup> March 2025</b>
- Excess depreciation as per Income tax Act, 1961 over depreciation as per books	625.67	57.83	683.50
- MTM Gain/(loss) on foreign exchange contracts	22.65	(8.58)	14.07
- Expected credit loss allowance	(0.25)	-	(0.25)
- Impairment in Value of investments	-	(492.66)	(492.66)
- Provision for employee benefits	(131.70)	(23.89)	(155.59)
- Right of use assets	116.46	724.71	841.17
- Lease liabilities	(127.12)	(753.37)	(880.49)
	<b>505.71</b>	<b>(495.96)</b>	<b>9.75</b>

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

### 21 TRADE PAYABLES

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Dues of Micro Enterprises and Small Enterprises (refer to note below)	209.44	175.49
Trade payables to related parties (refer to note 38)	141.48	182.83
Other trade payables	2,218.11	1,966.49
	<b>2,359.59</b>	<b>2,149.32</b>
	<b>2,569.03</b>	<b>2,324.81</b>

#### Trade payables ageing schedule

As at 31 <sup>st</sup> March 2025	Outstanding for following periods from due date of payment					Total
	Unbilled	< 1 years	1 year to 2 years	2 years to 3 years	> 3 years	
Total outstanding dues of micro enterprises and small enterprises		209.44	-	-	-	<b>209.44</b>
Total outstanding dues of creditors other than micro enterprises and small enterprises	970.86	1,347.38	27.44	0.27	13.64	<b>2,359.59</b>
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>970.86</b>	<b>1,556.82</b>	<b>27.44</b>	<b>0.27</b>	<b>13.64</b>	<b>2,569.03</b>

As at 31 <sup>st</sup> March 2024	Outstanding for following periods from due date of payment					Total
	Unbilled	< 1 years	1 year to 2 years	2 years to 3 years	> 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	175.49	-	-	-	<b>175.49</b>
Total outstanding dues of creditors other than micro enterprises and small enterprises	235.29	1,898.44	7.08	2.48	6.03	<b>2,149.32</b>
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
<b>Total</b>	<b>235.29</b>	<b>2,073.93</b>	<b>7.08</b>	<b>2.48</b>	<b>6.03</b>	<b>2,324.81</b>

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at the year end has been made in the financial statements based on information available with the Company as under :

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
(a) The amounts remaining unpaid to micro, small and medium enterprises as at the end of the year		
- Principal	209.44	175.49
- Interest	7.94	4.26
(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 payment made to the supplier beyond the appointed date 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 each accounting year) but without adding the interest specified under the Micro Small and Medium Enterprises Development Act, 2006;	7.94	4.26
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	7.94	4.26
(e) The amount of further interest 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 as a deductible expenditure under section 23 of the Micro Small and Medium Enterprises Development Act, 2006.	7.94	4.26

**22 OTHER CURRENT LIABILITIES**

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Revenue received in advance (refer to Note 51)	1,515.50	2,838.79
Interest Payable on Income tax	-	5.30
Interest payable others	7.94	4.26
Statutory dues	305.21	287.30
	<b>1,828.65</b>	<b>3,135.65</b>

**23 CURRENT TAX LIABILITIES (NET)**

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Provision for income tax (net of advance tax)	492.65	570.02
	<b>492.65</b>	<b>570.02</b>

**24 REVENUE FROM OPERATIONS**

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Sale of products	33,859.33	32,739.25
Sale of services	1,171.79	991.03
Other operating revenues		
Export incentives	482.24	437.68
Scrap sales	1,443.47	894.55
	<b>36,956.83</b>	<b>35,062.51</b>

Revenue disaggregation as per industry vertical and geography has been included in segment information (refer to note 39)

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

### a. Revenue from contracts with customers disaggregated based on nature of products and services

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Revenue from sale of products		
- Precision and watch components	32,168.32	31,238.85
- Others	1,691.01	1,500.40
Sale of services	1,171.79	991.03
Other operating revenue	1,443.47	894.55
	<b>36,474.59</b>	<b>34,624.83</b>
<b>Set out below is the revenue from contracts with customers and reconciliation to Statement of profit and loss</b>		
Total revenue from contracts with customers	36,474.59	34,624.83
Add: Items not included in disaggregated revenue:		
- Export Incentives	482.24	437.68
<b>Revenue from operations as per the statement of profit and loss</b>	<b>36,956.83</b>	<b>35,062.51</b>

### b. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
<b>Contract Assets -</b>		
Trade receivables (refer to note 10)	6,763.01	5,150.55
<b>Contract Liability -</b>		
Revenue received in advance (refer to note 22)	1,515.50	2,838.79
<b>Movement of Revenue received in advance as below :</b>		
<b>Balance at the beginning of the year</b>	<b>2,838.79</b>	<b>1,400.89</b>
Revenue recognised / other adjustments during the year	(2,838.79)	(1,400.89)
Advance received during the year	1,515.50	2,838.79
<b>Balance at the end of the year</b>	<b>1,515.50</b>	<b>2,838.79</b>

In respect of advances received from customers, the company expect revenue to be recognised over the period of next 1 year from reporting year.

## 25 OTHER INCOME

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Interest income		
Fixed deposits with banks*	388.66	68.10
Interest income from related parties* (refer to note 38)	108.28	100.41
Interest income from others*	18.69	23.97
Dividend income (refer to note 38 and 52)	0.35	7,207.19
Rental income (refer to note 38)	47.85	58.50
Liabilities/ provision no longer required written back	29.35	11.79
Provision for bad and doubtful debts no longer required written back (net)	-	1.78
Exchange gain on foreign exchange fluctuations (net)	803.16	643.29
Net gain on sale of property, plant and equipment and intangible assets	-	7.24
Net change in fair value of financial assets (at FVTPL)	0.70	0.59
Profit from Sale of non current Investments (refer to note 38 and 49)	-	12,170.12
Miscellaneous income (refer to note 38)	9.58	14.12
	<b>1,406.62</b>	<b>20,307.10</b>

\*on financial assets at amortised cost

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**
**26 COST OF RAW MATERIALS CONSUMED**

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Inventory of raw materials at the beginning of the year	2,854.10	2,403.74
Purchases of raw materials	10,448.75	8,724.92
	<b>13,302.85</b>	<b>11,128.66</b>
Inventory of raw materials at the end of the year	3,051.69	2,854.10
	<b>10,251.16</b>	<b>8,274.56</b>

**27 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND SCRAP**

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Opening stock		
Work-in-progress	1,062.61	915.44
Finished goods	70.72	124.46
Scrap	10.71	-
	<b>1,144.04</b>	<b>1,039.90</b>
Less:		
Closing stock		
Work-in-progress	1,626.54	1,062.61
Finished goods	323.35	70.72
Scrap	-	10.71
	<b>1,949.89</b>	<b>1,144.04</b>
	<b>(805.85)</b>	<b>(104.14)</b>

**28 EMPLOYEE BENEFITS EXPENSES**

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Salaries and wages	8,532.22	8,017.94
Contributions to provident and other funds (refer to note 37)	696.89	642.05
Staff welfare expenses	575.44	495.53
	<b>9,804.55</b>	<b>9,155.52</b>

**29 FINANCE COSTS**

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Interest expense on financial liabilities measured at amortised cost	781.49	805.74
Interest on lease liabilities (refer to note 41)	265.52	74.05
Other borrowing costs	42.96	5.28
	<b>1,089.97</b>	<b>885.07</b>

**30 DEPRECIATION AND AMORTISATION EXPENSE**

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Depreciation on property, plant and equipment (refer to note 3)	1,277.54	1,110.95
Amortisation of other intangible asset (refer to note 4)	12.63	11.87
Depreciation of Right-of-use assets (refer to note 41)	560.13	215.20
Depreciation of investment property (refer to note 41)	25.41	47.68
	<b>1,875.71</b>	<b>1,385.70</b>



## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

### 31 OTHER EXPENSES

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Stores and spares consumed	1,757.92	1,411.20
Power, fuel, water and electricity charges	639.37	589.35
Contractual labour expenses (refer to note 38)	1,749.25	1,383.13
Insurance	72.52	37.13
Rent [refer to note 3(c)'and 41]	22.95	18.94
Rates and taxes	54.41	54.73
Repair and maintenance		
- Plant and machinery	315.61	331.56
- Buildings	111.54	178.87
- Others	342.15	267.26
Legal and professional fees [refer to note (a) below and note 38]	541.05	573.50
Travelling and conveyance	729.21	736.66
Job charges (refer to note 38)	2,365.75	1,475.46
Bank Charges	44.72	58.86
Printing and stationery	47.15	45.17
Communication expenses	61.51	47.48
Commission	321.30	468.60
Events and exhibitions	220.91	131.73
Property, plant and equipment written off	27.92	37.33
Net loss on sale of property, plant and equipment	0.28	-
Donation	4.62	4.92
Bad debts/ advances / deposits written off	-	5.55
Impairment allowance for non current investment in subsidiaries	-	1,957.48
Security service charges	150.96	134.09
Corporate social responsibility expenditure [refer to note (b) below and note 38]	132.14	47.57
Miscellaneous expenses	554.82	375.30
	<b>10,268.06</b>	<b>10,371.87</b>

#### Note (a) : Auditors' remuneration (excluding taxes as applicable)

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
As Auditor		
- Statutory audit	20.00	22.00
- Limited review of quarterly results	13.00	9.00
In other capacity		
- Certification work	5.30	4.75
- Reimbursement of expenses	5.00	1.87
	<b>43.30</b>	<b>37.62</b>

#### Note (b) : Detail of corporate social responsibility expenditure

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
a. Gross amount required to be spent by the Company during the year	132.14	47.57
b. Amount spent during the year (in cash)		
(i) Construction / acquisition of any asset	-	-
(ii) On purpose other than (i) above [(refer to note c below and note 38)]	132.14	63.08
	<b>132.14</b>	<b>63.08</b>
c. Details related to spent / unspent obligations:		

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
(i) Contribution		
- Supporting health activities	14.00	33.38
- Ensuring environmental sustainability	42.00	18.70
- Promotion of education	17.50	11.00
- Others*	28.92	-
(ii) Unspent amount in relation to:		
- Ongoing project	29.72	-
- Other than ongoing project	-	-
	<b>132.14</b>	<b>63.08</b>
d. Opening Balance of prespent / (unspent) amount	15.51	20.86
Additions during the year	86.91	42.22
Utilised during the year (including excess provided of previous year)	132.14	47.57
Closing Balance of pre-spent / (unspent) amount	<b>(29.72)</b>	<b>15.51</b>
Excess CSR Expenditure eligible to be set-off against the CSR Spending mandate of succeeding three financial years (Refer to Note 14)		
	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Excess CSR Expenditure eligible to be set-off against the CSR Spending mandate of succeeding three financial years (Refer to Note 14)	-	15.51
	-	<b>15.51</b>

\*Rs. 15.51 have been set-off and claimed as CSR expenses from the excess amount spent during the previous years.

**Notes:**

- There are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act, 2013 ("the Act"), in compliance with second proviso to sub section 5 of Section 135 of the Act.
- During the current year, Rs. 29.72 are unspent in respect of ongoing projects, which is required to be transferred to a special account in compliance of provision of sub section (6) of Section 135 of Companies Act and subsequent to the year ended 31<sup>st</sup> March 2025, the Company has deposited Rs. 29.72 in specified bank account on 29<sup>th</sup> April 2025.

**32 INCOME TAX EXPENSE**
**A. Amounts recognised in statement of profit and loss**

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
<b>Current tax</b>		
Current year	1,512.35	3,415.48
Changes in estimates related to prior years	(60.01)	(78.01)
	<b>1,452.34</b>	<b>3,337.47</b>
<b>Deferred tax</b>		
Attributable to—		
Origination and reversal of temporary differences	(19.41)	(5.87)
Changes in estimates related to prior years	(476.55)	64.47
	<b>(495.96)</b>	<b>58.60</b>
	<b>956.38</b>	<b>3,396.07</b>

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

### B. Reconciliation of effective tax rate

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
<b>Profit before tax</b>	<b>5,879.85</b>	<b>25,401.03</b>
Tax at the Indian tax rate of 25.168% (previous year 25.168%)*	1,479.84	6,392.93
Effect of expenses/(Income) that are not deductible in determining taxable profit	37.30	(1,307.68)
Others	(24.20)	-
Effect of income chargeable at lower rate of tax	-	(1,675.64)
Deferred taxes recognised on impairment of the investments recognised in previous year**	(536.56)	(13.54)
Income tax expenses recognised in statement of profit and loss	<b>956.38</b>	<b>3,396.07</b>

\*The tax rate used for the current year reconciliation above is the corporate tax rate of 25.168% (Previous year 25.168%) payable by corporate entities in India on taxable profits under the Indian tax law.

\*\*Recognised based upon the losses claimed in the current year.

### C. Income tax recognised in other comprehensive income

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
<i>Arising on income and expenses recognised in other comprehensive income</i>		
Remeasurement of defined benefit (liability) / asset	(99.27)	(120.09)
	<b>(99.27)</b>	<b>(120.09)</b>
<i>Bifurcation of the income tax recognised in other comprehensive income</i>		
Items that will not be reclassified to profit or loss		
Income tax on remeasurement of defined benefit (liability)/ asset	24.98	30.22
	<b>24.98</b>	<b>30.22</b>

## 33 EARNINGS PER SHARE

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
<b>A. Basic earnings per share</b>		
i. Profit for basic earning per share of Rs. 10 each		
Profit for the year	4,923.47	22,004.96
ii. Weighted average number of equity shares for (basic)		
Balance at the beginning of the year	1,25,37,117	1,25,37,117
Effect of equity buyback	(1,30,322)	-
	<b>1,24,06,795</b>	<b>1,25,37,117</b>
<b>Basic Earnings per share (face value of Rs 10 each)</b>	<b>39.68</b>	<b>175.52</b>
<b>B. Diluted earnings per share</b>		
i. Profit for diluted earning per share of Rs. 10 each		
Profit for the year	4,923.47	22,004.96
ii. Weighted average number of equity shares for (diluted)		
Balance at the beginning of the year	1,25,37,117	1,25,37,117
Effect of equity buyback	(1,30,322)	-
	<b>1,24,06,795</b>	<b>1,25,37,117</b>
<b>Diluted Earnings per share (face value of Rs. 10 each)</b>	<b>39.68</b>	<b>175.52</b>

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**
**34 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT**
**A. Accounting classification and fair values**

The following table shows the carrying amounts and fair value of financial assets and financial liabilities including their level in the fair value hierarchy:

	Note	Level of hierarchy	As at 31 <sup>st</sup> March 2025			As at 31 <sup>st</sup> March 2024		
			FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>								
<b>Non-current</b>								
<b>Non-derivative financial assets</b>								
Investments:								
Investment in equity shares- other companies (refer to note viii below)	(i)	3	50.69	-	-	49.98	-	-
Loans	(ii)		-	-	1,579.73	-	-	1,401.25
Other financial assets	(ii)		-	-	204.41	-	-	471.91
<b>Current</b>								
<b>Non-derivative financial assets</b>								
Trade receivables	(iii)		-	-	6,763.01	-	-	5,150.55
Cash and cash equivalents	(iii)		-	-	245.29	-	-	13,605.11
Other bank balances	(iii)		-	-	866.47	-	-	591.72
Loans	(iii)		-	-	47.45	-	-	99.42
Other financial assets	(iii)		-	-	1,074.69	-	-	730.65
<b>Derivative financial assets</b>								
Forward contracts	(v)	2	55.92	-	-	90.00	-	-
<b>Total financial assets</b>			<b>106.61</b>	<b>-</b>	<b>10,781.05</b>	<b>139.98</b>	<b>-</b>	<b>22,050.61</b>
<b>Financial liabilities</b>								
<b>Non-current</b>								
<b>Non-derivative financial liabilities</b>								
Borrowings	(iv)		-	-	6,262.50	-	-	3,213.69
Other financial liabilities	(ii)		-	-	241.91	-	-	149.03
<b>Current</b>								
<b>Non-derivative financial liabilities</b>								
Borrowings	(iii)		-	-	3,325.34	-	-	3,555.56
Trade payables	(iii)		-	-	2,569.03	-	-	2,324.81
Other financial liabilities	(iii)		-	-	2,201.95	-	-	2,346.20
<b>Derivative financial liabilities</b>								
Forward contracts	(v)		-	-	-	-	-	-
<b>Total financial liabilities</b>			<b>-</b>	<b>-</b>	<b>14,600.72</b>	<b>-</b>	<b>-</b>	<b>11,589.28</b>

(i) The fair value in respect of the unquoted equity investments has been determined using discounted cash flow method and Market comparison technique based on market multiples derived from quoted prices of companies comparable to the investee. The significant unobservable inputs used are expected cash flows, estimated EBITDA of the investee.

(ii) Fair value of non-current financial assets and non- current financial liabilities has not been disclosed as there is no significant differences between carrying value and fair value.

(iii) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

(iv) The fair value of borrowings is based upon a discounted cash flow analysis that used the aggregate cash flows from principal and finance costs over the life of the debt and current market interest rates.

(v) The fair value of derivative financial instrument has been determined using valuation techniques with market observable input. The model incorporate various input include the credit quality of counter-parties and foreign exchange forward rate.

(vi) There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024.

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

(vii) Investment in equity instruments of subsidiaries as at 31<sup>st</sup> March 2025 amount to Rs. 16,431.84 (net of impairment) (31<sup>st</sup> March 2024 Rs. 13,708.73) carried at cost in accordance with IND AS 27 (Separate financial statement).

(viii) The change in amount is on account of fair value gain of Rs. 0.71.

### B. Financial risk management

#### (i) Risk Management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risk faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to effect changes in market conditions and Company's activities. The Company, through its training and management standards and procedures, aims to maintain discipline and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risk faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the result of which are reported to audit committee.

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see (ii))
- liquidity risk (see (iii))
- market risk (see (iv))

#### (ii) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The carrying amount of financial assets represents the maximum credit risk exposure and arises principally from the Company's receivable from customers and loans.

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Non-derivative financial assets</b>		
Investments	50.69	49.98
Trade receivables	6,763.01	5,150.55
Loans	1,627.18	1,500.67
Other financial assets	1,279.10	1,202.56
<b>Derivative financial asset</b>		
Forward contracts	55.92	90.00
	<b>9,775.90</b>	<b>7,993.76</b>

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Company's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties. The Company enters into derivative contracts with bank and financial institutions having high credit ratings.

The Company's exposure to credit risk for trade receivables by geographic region is as follows:

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

	<b>As at 31<sup>st</sup> March 2025</b>	<b>As at 31<sup>st</sup> March 2024</b>
Within India	1,739.80	1,190.01
Outside India	5,023.21	3,960.54
	<b>6,763.01</b>	<b>5,150.55</b>

The following table gives details in respect of percentage of revenues generated from top customer and top five customers:

	<b>As at 31<sup>st</sup> March 2025</b>	<b>As at 31<sup>st</sup> March 2024</b>
Revenue from top customer	5,103.28	5,570.21
Revenue from top five customers	18,355.92	17,083.92

The Company based on internal assessment which is driven by the historical experience/ current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Company estimates its allowance for trade receivable using lifetime expected credit loss. Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables.

<b>Particulars</b>	<b>Gross Carrying amount</b>	<b>Loss allowance</b>	<b>Carrying amount</b>
<b>31<sup>st</sup> March 2025</b>			
Less than 6 Months	6,733.23	-	6,733.23
More than 6 Months	30.78	1.00	29.78
	<b>6,764.01</b>	<b>1.00</b>	<b>6,763.01</b>
<b>31<sup>st</sup> March 2024</b>			
Less than 6 Months	5,029.53	-	5,029.53
More than 6 Months	122.02	1.00	121.02
	<b>5,151.55</b>	<b>1.00</b>	<b>5,150.55</b>

The movement in the allowance for impairment in respect of trade receivables is as follows

	<b>As at 31<sup>st</sup> March 2025</b>	<b>As at 31<sup>st</sup> March 2024</b>
Balance as at the beginning of the year	1.00	2.78
Impairment allowance created	-	-
Impairment loss reversed	-	(1.78)
<b>Balance as at the end of the year</b>	<b>1.00</b>	<b>1.00</b>

Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. Investments mainly include investments made by the Company in its subsidiary companies and associates. The loans primarily represents security deposits given and loans given to employees and related parties. The management believes these to be high quality assets with negligible credit risk. The management believes the parties to which these deposits and loans have been given have strong capacity to meet the obligations and where the risk of default is negligible or nil and accordingly no provision for expected credit loss has been provided on these financial assets. Credit risk on cash and cash equivalents and bank deposits is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies.

**(iii) Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Company's approach to manage liquidity is to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the Company's reputation.

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

The Company believes that its liquidity position, including total cash and cash equivalents and other bank balances anticipated future internally generated funds from operations will enable it to meet its future known obligations in the ordinary course of business. However, if a liquidity needs were to arise, the Company believes it has access to financing arrangements, value of unencumbered assets, which should enable it to meet its ongoing capital, operating, and other liquidity requirements. The Company will continue to consider various borrowing or leasing options to maximize liquidity and supplement cash requirements as necessary. As at 31<sup>st</sup> March 2025, the Company has available Rs. 3,188.65 (31<sup>st</sup> March 2024: Rs. 3,576.03) in form of undrawn committed borrowing limits.

The following table provides details regarding the contractual maturities of significant financial liabilities on an undiscounted basis:

	Less than 1 Year	1 to 2 Years	2 to 5 Years	Total	Carrying Amount
<b>31<sup>st</sup> March 2025</b>					
<b>Non-derivative financial liabilities</b>					
Borrowings	3,304.44	2,201.40	3,522.11	9,027.95	9,587.83
Trade payables	2,569.03	-	-	2,569.03	2,569.03
Other financial liabilities	2,201.95	240.85	1.06	2,443.86	2,443.86
Lease liabilities	705.45	758.63	2,033.14	3,497.22	3,497.22
	<b>8,780.87</b>	<b>3,200.88</b>	<b>5,556.31</b>	<b>17,538.06</b>	<b>18,097.94</b>
<b>31<sup>st</sup> March 2024</b>					
<b>Non-derivative financial liabilities</b>					
Borrowings	3,799.78	1,867.16	1,772.13	7,439.07	6,769.25
Trade payables	2,324.81	-	-	2,324.81	2,324.81
Other financial liabilities	2,346.20	129.05	19.98	2,495.23	2,495.23
Lease liabilities	258.28	185.39	143.80	587.47	444.17
	<b>8,729.07</b>	<b>2,181.60</b>	<b>1,935.91</b>	<b>12,846.58</b>	<b>12,033.45</b>

### (iv) Market Risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

#### (i) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates.

#### Exposure to interest rate risk

The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Company are principally denominated in rupees with a mix of fixed and floating rates of interest. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Fixed rate borrowings	9,460.27	6,531.70
Floating rate borrowings	127.57	237.54
<b>Total borrowings (gross of transaction cost)</b>	<b>9,587.84</b>	<b>6,769.25</b>

#### Interest rate sensitivity analysis

A reasonably possible change of 0.50 % in interest rates at the reporting date would have affected the profit or loss / other equity by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant



**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

	Profit or Loss/Other Equity	
	Strengthening	Weakening
<b>For the year ended 31<sup>st</sup> March 2025</b>		
Interest rate (0.5% movement)	0.64	(0.64)
<b>For the year ended 31<sup>st</sup> March 2024</b>		
Interest rate (0.5% movement)	1.19	(1.19)

**(ii) Foreign currency risk**

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Company's operating, investing and financing activities.

**Unhedged foreign currency exposure**

The following table provides details of the Company's exposure to currency risk:

Assets	As at 31 <sup>st</sup> March 2025		As at 31 <sup>st</sup> March 2024	
	Amount (Rs)	Amount in foreign currency	Amount (Rs)	Amount in foreign currency
<b>Loans</b>				
CHF	1,344.70	14.00	1,275.12	14.00
<b>Trade receivables</b>				
HKD	1.14	0.10	-	-
USD	2,688.73	31.54	1,020.77	12.31
EUR	443.80	4.84	298.18	3.34
CHF	1,889.54	19.67	1,048.74	11.51
GBP	-	-	135.26	1.29
<b>Other financial assets</b>				
CHF	129.88	1.37	88.55	0.95
<b>Bank balances in foreign currency</b>				
CHF	66.15	0.69	59.18	0.65
USD	0.06	0.00	0.13	0.00
<b>Total (A)</b>	<b>6,564.00</b>		<b>3,925.93</b>	
<b>Liabilities</b>				
	Amount (Rs)	Amount in foreign currency	Amount (Rs)	Amount in foreign currency
<b>Trade payables</b>				
HKD	72.34	6.64	41.43	3.85
USD	54.68	0.64	43.74	0.52
EUR	3.92	0.04	5.19	0.06
CHF	142.98	1.49	359.86	3.87
JPY	-	-	16.68	0.30
<b>Commission payable in foreign currency</b>				
CHF	384.48	5.67	514.56	5.54
EUR	18.87	0.22	7.13	0.08
USD	16.81	0.26	0.24	0.00
<b>Total (B)</b>	<b>694.08</b>		<b>988.83</b>	
<b>Net exposure in respect of recognised assets and liabilities (A-B)</b>	<b>5,869.92</b>		<b>2,937.10</b>	

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

### Forward contracts outstanding as at the end of the year

	As at 31 <sup>st</sup> March 2025		As at 31 <sup>st</sup> March 2024	
	Amount (Rs)	Amount in foreign currency	Amount (Rs)	Amount in foreign currency
<b>Exports</b>				
CHF	1,056.55	11.00	1,457.28	16.00

### Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024 would have affected the measurement of financial instruments denominated in foreign currency and affected Statement of Profit and Loss by the amounts shown below. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Profit or Loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
<b>31<sup>st</sup> March 2025</b>				
HKD (1% movement)	(0.71)	0.71	(0.53)	0.53
USD (1% movement)	26.17	(26.17)	19.59	(19.59)
EUR (1% movement)	4.21	(4.21)	3.15	(3.15)
CHF (1% movement)	29.03	(29.03)	21.72	(21.72)
GBP (1% movement)	-	-	-	-
JPY (1% movement)	-	-	-	-
<b>31<sup>st</sup> March 2024</b>				
HKD (1% movement)	(0.41)	0.41	(0.31)	0.31
USD (1% movement)	9.77	(9.77)	7.31	(7.31)
EUR (1% movement)	2.86	(2.86)	2.14	(2.14)
CHF (1% movement)	15.97	(15.97)	11.95	(11.95)
GBP (1% movement)	1.35	(1.35)	1.01	(1.01)
JPY (1% movement)	(0.17)	0.17	0.02	(0.02)

## 35 CAPITAL MANAGEMENT

### (i) Risk management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Company monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total liabilities excluding deferred tax liabilities, provisions and other current liabilities, less cash and cash equivalents and other bank balances. Total equity comprises all components of equity as shown in balance sheet.

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.

The Company's adjusted net debt to total equity ratio was as follows:

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Total liabilities excluding deferred tax liabilities, provisions and other current liabilities	18,590.60	12,603.48
Less: cash and cash equivalents and other bank balances	1,111.76	14,196.83
<b>Adjusted net debt</b>	<b>17,478.84</b>	<b>(1,593.35)</b>
<b>Total equity</b>	<b>33,139.24</b>	<b>39,707.95</b>
<b>Net debt to total equity ratio</b>	<b>0.53</b>	<b>(0.04)</b>

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

Ratio increased during the year is primarily a result of reduction in cash and cash equivalents for making payments in lieu of capitalisation for bracelet and packaging units and buy back of equity shares made during the year along with tax on distributed income as required u/s 115QA of Income Tax Act.

**(ii) Dividend**

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Equity shares</b>		
<b>Dividends on equity shares declared and paid:</b>		
Final dividend for the year ended 31 <sup>st</sup> March 2024 of Rs. 4.00 (31 <sup>st</sup> March 2023 of Rs. 2.00) per fully paid equity shares*	501.48	250.74
Interim dividend for the year ended 31 <sup>st</sup> March 2025 of Rs. Nil (31 <sup>st</sup> March 2024 of Rs. 58.00) per fully paid equity shares	-	7,271.53
*Final dividend has been paid on the number of shares issued by the Company till the date of annual general meeting after approval of the shareholders.		
<b>Proposed dividend on Equity shares:#</b>		
	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
Proposed dividend for the year ended on 31 <sup>st</sup> March 2025: Rs. 5.00 (31 <sup>st</sup> March 2024 of Rs. 4.00) per equity share	614.96	501.48
#Proposed dividend on equity shares are subject to approval at the annual general meeting and is not recognised as a liability as at 31 <sup>st</sup> March.		

**36 CONTINGENT LIABILITIES AND COMMITMENTS:**
*(to the extent not provided for)*

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>(i) Claims against the Company not acknowledged as debts, under dispute</b>		
- Demand raised by Punjab State Electricity Board for payment of penalty for usage of additional power against sanctioned load. Amount paid under protest Rs. 2.96 (31 <sup>st</sup> March 2024: Rs. 2.96)	3.73	3.73
- Demand raised for Income tax (assessment year 2012-13, 2018-19, 2019-20 and 2023-24)	104.00	122.10
- Demand raised for Goods and Service Tax	21.12	-
- Claims against the Company filed by employees not acknowledged as debt (to the extent ascertainable)	34.09	298.14
	<b>162.94</b>	<b>423.96</b>
It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of our pending resolution of the respective proceedings as it is determined only on receipt of judgements/decisions pending with various authorities.		
<b>(ii) Commitments</b>		
- Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for	453.07	2,016.57
- Amount payable for partly paid investment in equity shares of Silvercity Brands AG	-	696.75
	<b>453.07</b>	<b>2,713.32</b>
<b>(iii)</b> In addition, the Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company's management does not expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial condition.		
<b>(iv)</b> Pursuant to recent judgement by Hon'ble Supreme Court dated 28 <sup>th</sup> February 2019, it was held that basic wages, for the purpose of provident fund, to include special allowance which are common for all employees, However, there is uncertainty with respect to the applicability of the judgement and period from which the same applies. Owing to the aforesaid uncertainty and pending clarification from the authority in this regard, the Company has not recognised any provision. Further, management also believes that the impact of the same on the Company will not be material.		

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

### 37 EMPLOYEE BENEFITS

#### A. Liabilities relating to employee benefits

	Non-Current		Current	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Liability for gratuity	-	-	209.05	96.85
Liability for compensated absences	-	-	618.21	523.27
	-	-	<b>827.26</b>	<b>620.12</b>

	Current	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Advance payment for gratuity	-	-
	-	-

For details about the related employee benefit expenses, refer to Note 28.

#### B. Defined Benefit Plan

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who have completed at least five years of service are entitled to specific benefit. The level of benefit provided depends on the member's length of service and salary retirement age. The employee is entitled to a benefit equivalent to 15 days salary last drawn salary for each completed year of service with part thereof in excess of six months. The same is payable on termination of service or retirement or death whichever is earlier. The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government bonds as at the date of actuarial valuation. Remeasurement gains and losses (net of tax) are recognised immediately in the Other Comprehensive Income (OCI).

The employees' gratuity fund scheme managed by Life Insurance Corporation of India is a defined benefit plan. The Company made annual contributions to the LIC of India of an amount advised by the LIC.

The above defined benefit plan exposes the Company to following risks:

##### Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

##### Salary inflation risk:

Higher than expected increases in salary will increase the defined benefit obligation.

##### Demographic risk:

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Company has not changed the processes used to manage its risks from previous periods. The funds are managed by specialised team of Life Insurance Corporation of India.

#### (i) Funding

Gratuity is a funded benefit plan for qualifying employees. 100% of the plan assets are managed by LIC. The assets managed are highly liquid in nature and the Company does not expect any significant liquidity risks.

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>(ii) Reconciliation of present value of defined benefit obligation</b>		
Present value of obligation at the beginning of the year	1,335.57	1,103.85
Current Service cost	103.93	91.01
Interest cost	96.43	81.24
Benefits paid	(130.09)	(57.42)
Actuarial (gains) losses recognised in other comprehensive income		
- Change in financial assumptions	29.48	16.02
- Experience adjustments	72.17	100.88
<b>Present value of obligation at the end of the year</b>	<b>1,507.49</b>	<b>1,335.57</b>
<b>(iii) Reconciliation of the present value of plan assets</b>		
Plan assets at the beginning of the year, at fair value	1,238.72	1,204.27
Return on plan assets recognised in other comprehensive income	2.38	(3.19)
Contributions	98.00	1.55
Benefits paid	(130.09)	(52.55)
Interest income	89.43	88.64
<b>Plan assets at the end of the year, at fair value</b>	<b>1,298.44</b>	<b>1,238.72</b>
<b>(iv) Amount recognized in the balance sheet</b>		
Present value of the defined benefit obligations at the end of the year	1,507.49	1,335.57
Fair value of plan assets at the end of the year	1,298.44	1,238.72
<b>Net (asset)/ liability recognized in the balance sheet</b>	<b>209.05</b>	<b>96.85</b>
<b>(v) Plan assets</b>		
Plan assets comprise of the following:		
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2025</b>	<b>As at 31<sup>st</sup> March 2024</b>
Policy of insurance	1,298.44	1,238.72
	<b>1,298.44</b>	<b>1,238.72</b>
<b>(vi) Amount recognized in the Statement of Profit and Loss</b>		
<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2025</b>	<b>As at 31<sup>st</sup> March 2024</b>
Current service cost	103.93	91.01
Interest cost (net)	7.00	(7.40)
<b>Amount recognized in the Statement of profit and loss</b>	<b>110.93</b>	<b>83.61</b>
<b>(vii) Remeasurements recognised in other comprehensive income</b>		
Actuarial gain/loss on the defined benefit obligation	101.65	116.90
Return on plan assets (excluding interest income)	(2.38)	3.19
<b>Amount recognized in other comprehensive income</b>	<b>99.27</b>	<b>120.09</b>

**(viii) Actuarial assumptions**

- a) **Economic assumptions:** The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Discount rate (per annum)	6.99%	7.22%
Expected rate of return on plan assets (per annum)	6.99%	7.22%
Salary increase (per annum)	4.00%	4.00%
Expected average remaining working lives of employees (years)	20.50	20.60

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

### b) Demographic assumptions:

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Retirement age	58 years	58 years
Mortality	Indian assured lives mortality (2012-14) Ultimate	Indian assured lives mortality (2012-14) Ultimate
Attrition rate		
Upto 30 years	3%	3%
31 to 44 years	2%	2%
45 and above	1%	1%

### (ix) Sensitivity analysis on defined benefit obligation on account of change in significant assumptions:

Particulars	As at 31 <sup>st</sup> March 2025		As at 31 <sup>st</sup> March 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(63.22)	68.13	(56.01)	60.33
Future salary growth (0.5% movement)	69.12	(64.58)	61.33	(57.34)

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

### (x) Expected future benefit payments

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
The expected maturity analysis of undiscounted defined benefit liability is as follows:		
Within 1 year	128.32	127.44
1-2 years	85.60	55.08
2-5 years	301.58	210.39
Over 5 years	992.01	942.67

### (xi) Weighted average duration and expected employers contribution for next year of the defined benefit plan

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Weighted average duration (in years)	16.15	16.22
Expected Employers contribution for the next year	131.88	107.58

## C. Defined Contribution Plan

The Company makes contribution towards employees' provident fund, superannuation fund and employees' state insurance plan scheme. Under the schemes, the Company is required to contribute a specified percentage of payroll cost, as specified in the rules of the scheme, to these defined contribution schemes. The expense recognised towards contribution of these plans is as follows:

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Provident fund (including social security for overseas employees)	501.39	494.47
Superannuation fund	5.02	4.34
Employees' state insurance scheme	26.25	27.38
Pension fund	83.43	81.47
	<b>616.09</b>	<b>607.66</b>

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**
**38 RELATED PARTIES:**
**a) Related parties and nature of relationship where control exists:**

Name of party	Description of relationship
Pylania SA	Subsidiary
Kamla International Holdings SA	Subsidiary
Ethos Limited	Subsidiary
Mahen Distribution Limited	Subsidiary
Estima AG	Subsidiary of Pylania SA and Kamla International Holdings SA
Kamla Tesio Dials Limited	Subsidiary
Cognition Digital LLP	Subsidiary of Ethos Limited
Pasadena Retail Private Limited	Joint Venture of Ethos Limited
Silvercity Brands AG	Subsidiary of Ethos Limited from 31 <sup>st</sup> March 2023 to 1 <sup>st</sup> March, 2024 (Company's subsidiary w.e.f. 1 <sup>st</sup> March 2024)
Favre Leuba	Subsidiary of Silvercity Brands AG (W.e.f. 26 <sup>th</sup> June 2023)
Ethos Lifestyle Private Limited (Formerly RF Brands Private Limited)	Subsidiary of Ethos Limited (W.e.f. 2 <sup>nd</sup> February 2024)

**(b) Key managerial personnel (KMP) of the Company, their close family members and related entities**

(i) Names of KMP	Names of their close family members (refer note 1 below)
- Mr. Yashovardhan Saboo (Chairman and Managing Director)	Mr. R.K. Saboo (father), Mrs. Usha Devi Saboo (mother), Mrs. Anuradha Saboo (spouse) Mr. Pranav Shankar Saboo (Son), Mrs. Malvika Singh (son's spouse) Ms. Satvika Saboo Suri (daughter)
- Mr. Sanjeev Kumar Masown (Whole time Director cum Chief financial officer)	Mrs. Neeraj Masown (spouse), Mr. Lal Chand Masown (father), Ms. Muskan Masown (daughter)
- Mr. Brahm Prakash Kumar (Company Secretary)	

**(ii) Related entities of KMP**

- Vardhan Properties & Investments Limited
- VBL Innovations Private Limited
- Dream Digital Technology Private Limited
- Artisan Watch Products Private Limited (W.e.f. 19<sup>th</sup> March 2025)
- KDDL Ethos Foundation
- Saboo Ventures LLP
- Saboo Housing Projects LLP
- Shri R.K. Saboo a/c Tara Chand Mahendra Kumar HUF
- Shri Yasho Vardhan Saboo a/c Yasho Vardhan HUF
- Veena Kanoria Family Trust
- RKS JS Family Trust
- UDS JS Family Trust
- ASP Saboo Family Trust

(iii) Non-executive Directors	Names of their close family members (refer note 1 below)
- Mr. Anil Khanna (upto 5 <sup>th</sup> August 2024)	Mrs. Alka Khanna (spouse)      Ms. Salonee Khanna (daughter)      Mr. Saahil Khanna (son)
- Mrs. Ranjana Agarwal (upto 5 <sup>th</sup> August 2024)	
- Mrs. Anuradha Saboo (w.e.f. 12 <sup>th</sup> August 2023)	
- Mr. Praveen Gupta	
- Mr. Jai Vardhan Saboo	
- Mr. Sanjiv Sachar	
- Mrs. Neelima Tripathi	
- Mr. Nagarajan Subramanian	



## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

### Note:

- With respect to the key managerial personnel, disclosure has been given for those relatives with whom the Company has made transactions during the year.

### c) Related party transactions

Year ended 31<sup>st</sup> March 2025

	Subsidiaries	Associates	Key Management Personnel (KMP)	Related entities of KMP	Other related parties
<b>1 Purchase of raw material and components</b>					
Estima AG	20.51	-	-	-	-
Pylania SA	50.51	-	-	-	-
Ethos Limited	3.71				
<b>2 Sale of goods and services</b>					
Pylania SA	855.91	-	-	-	-
Estima AG	806.59	-	-	-	-
Ethos Limited	3.65	-	-	-	-
Silvercity Brands AG	32.06	-	-	-	-
<b>3 Service Charges Paid</b>					
Ethos Limited	0.21	-	-	-	-
<b>4 Purchase of property, plant and equipment</b>					
Ethos Limited	61.27	-	-	-	-
<b>5 Sale of property, plant and equipment</b>					
Ethos Limited	1.59				
Mr. Yashovardhan Saboo	-	-	2.31	-	-
<b>6 Guarantee income</b>					
Pylania SA	8.55	-	-	-	-
<b>7 Job work charges paid</b>					
Pylania SA	24.60	-	-	-	-
Kamla Tesio Dials Limited	215.65	-	-	-	-
<b>8 Payment of lease liabilities</b>					
Mr. Yashovardhan Saboo	-	-	19.51	-	-
Mrs. Anuradha Saboo	-	-	32.53	-	-
Pylania SA	21.30	-	-	-	-
Estima AG	10.78	-	-	-	-
Saboo Housing Projects LLP	-	-	-	7.91	-
<b>9 Compensation to key managerial personnel*</b>					
Short-term employee benefits					
Mr. Yashovardhan Saboo	-	-	270.60	-	-
Mr. Sanjeev Kumar Masown	-	-	135.72	-	-
Mr. Brahm Prakash Kumar	-	-	43.40	-	-
<b>10 Interest income</b>					
Kamla International Holdings SA	99.77	-	-	-	-
Mr. Sanjeev Kumar Masown	-	-	8.51	-	-

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

	Subsidiaries	Associates	Key Management Personnel (KMP)	Related entities of KMP	Other related parties
<b>11 Interest paid/ accrued</b>					
Mr. Sanjeev Kumar Masown	-	-	8.75	-	-
Mr. Yashovardhan Saboo	-	-	12.43	-	-
Mrs. Usha Devi Saboo	-	-	-	-	15.66
Mrs. Neeraj Masown	-	-	-	-	11.25
Mr. Lal Chand Masown	-	-	-	-	1.61
Mr. Anil Khanna	-	-	6.12	-	-
Mrs. Alka Khanna	-	-	-	-	0.76
Mr. Praveen Gupta	-	-	2.93	-	-
Mrs. Anuradha Saboo	-	-	18.08	-	-
Mrs. Ranjana Agarwal	-	-	25.73	-	-
Ms. Salonee Khanna	-	-	-	-	0.23
Mr. Saahil Khanna	-	-	-	-	0.18
ASP Saboo Family Trust	-	-	-	0.54	-
Mr. R.K. Saboo	-	-	-	-	13.40
RKS JS Family Trust	-	-	-	14.21	-
UDS JS Family Trust	-	-	-	0.46	-
Veena Kanoria Family Trust	-	-	-	23.26	-
Mr. Brahm Prakash Kumar	-	-	5.49	-	-
Ms. Muskan Masown	-	-	-	-	2.17
<b>12 Deposits from shareholders accepted/renew</b>					
Mrs. Usha Devi Saboo	-	-	-	-	268.00
Mr. Yashovardhan Saboo	-	-	200.00	-	-
Mrs. Anuradha Saboo	-	-	262.30	-	-
Mrs. Ranjana Agarwal	-	-	164.90	-	-
Mr. Praveen Gupta	-	-	30.00	-	-
Mr. Sanjeev Kumar Masown	-	-	20.00	-	-
Mrs. Neeraj Masown	-	-	-	-	28.55
Mr. Lal Chand Masown	-	-	-	-	18.25
ASP Saboo Family Trust	-	-	-	5.60	-
Mr. R.K. Saboo	-	-	-	-	160.00
RKS JS Family Trust	-	-	-	146.60	-
UDS JS Family Trust	-	-	-	5.00	-
Veena Kanoria Family Trust	-	-	-	100.00	-
Mr. Brahm Prakash Kumar	-	-	9.21	-	-
<b>13 Deposits from shareholders repaid</b>					
Mrs. Anuradha Saboo	-	-	250.00	-	-
Mr. R.K. Saboo	-	-	-	-	120.00
Mr Lal Chand Masown	-	-	-	-	16.88

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

	Subsidiaries	Associates	Key Management Personnel (KMP)	Related entities of KMP	Other related parties
Mrs. Neeraj Masown	-	-	-	-	23.19
Mrs. Ranjana Agarwal	-	-	125.00	-	-
Mr. Praveen Gupta	-	-	30.00	-	-
Mrs. Usha Devi Saboo	-	-	-	-	92.00
RKS JS Family Trust	-	-	-	146.60	-
ASP Saboo Family Trust	-	-	-	5.18	-
UDS JS Family Trust	-	-	-	5.00	-
Veena Kanoria Family Trust	-	-	-	100.00	-
Mr. Brahm Prakash Kumar	-	-	8.50	-	-
<b>14 Rent received</b>					
Ethos Limited	31.41	-	-	-	-
Kamla Tesio Dials Limited	14.64	-	-	-	-
Cognition Digital LLP	0.60	-	-	-	-
Mahen Distribution Limited	0.60	-	-	-	-
Vardhan Properties and Investment Limited	-	-	-	0.60	-
<b>15 Loans and advances given by the Company</b>					
Mr. Sanjeev Kumar Masown	-	-	100.00	-	-
<b>16 Repayment of Loan given by the Company</b>					
Mr. Sanjeev Kumar Masown	-	-	20.00	-	-
<b>17 Reimbursement of expenses paid by the Company</b>					
Pylania SA	99.07	-	-	-	-
Estima AG	3.32	-	-	-	-
Mahen Distribution Limited	4.01	-	-	-	-
Ethos Limited	4.75	-	-	-	-
<b>18 Reimbursement of expenses received by the Company</b>					
Ethos Limited	36.63	-	-	-	-
Pylania SA	29.76	-	-	-	-
Artisan Watch Products Private Limited	-	-	-	5.09	-
Silvercity Brands AG	68.15	-	-	-	-
<b>19 Investments made (Refer to Note 5)</b>					
Pylania SA	1,978.16	-	-	-	-
Silvercity Brands AG	725.51	-	-	-	-
<b>20 CSR contribution made</b>					
KDDL Ethos Foundation	-	-	-	13.41	-
<b>21 Dividend paid</b>					
Mr. Yashovardhan Saboo	-	-	88.59	-	-
Mr Sanjiv Sachar	-	-	0.06	-	-
Mrs. Anuradha Saboo	-	-	18.66	-	-
Mr. Nagarajan Subramanian	-	-	0.00	-	-
Mr. Brahm Prakash Kumar	-	-	0.09	-	-

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

	Subsidiaries	Associates	Key Management Personnel (KMP)	Related entities of KMP	Other related parties
Mr. R.K. Saboo	-	-	-	-	80.04
Mrs. Usha Devi Saboo	-	-	-	-	6.80
Mr. Pranav S Saboo	-	-	-	-	32.67
Ms. Satvika Saboo Suri	-	-	-	-	6.76
Vardhan Properties and Investment Limited	-	-	-	1.53	-
Dream Digital Technology Private Limited	-	-	-	1.18	-
Saboo Ventures LLP	-	-	-	2.64	-
Mr. Lal Chand Masown	-	-	-	-	0.00
Mrs. Neeraj Masown	-	-	-	-	0.00
Ms. Muskan Masown	-	-	-	-	0.00
<b>22 Director sitting fee</b>					
Mr. Anil Khanna	-	-	1.80	-	-
Mrs. Ranjana Agarwal	-	-	1.28	-	-
Mr. Praveen Gupta	-	-	6.83	-	-
Mr. Sanjiv Sachar	-	-	8.50	-	-
Mr. Jai Vardhan Saboo	-	-	2.00	-	-
Mrs. Neelima Tripathi	-	-	3.00	-	-
Mrs. Anuradha Saboo	-	-	3.00	-	-
Mr. Nagarajan Subramanian	-	-	4.65	-	-
<b>23 Events and exhibition</b>					
Ethos Limited	6.29	-	-	-	-
<b>24 Employee benefit expense</b>					
Mr. R.K. Saboo	-	-	-	-	30.00
<b>25 Contractual labour expenses</b>					
Mahen Distribution Limited	67.34	-	-	-	-

\*(Excluding provision for leave encashment and gratuity as they are determined on an actuarial basis for the company as a whole)

**Year ended 31<sup>st</sup> March 2024**

	Subsidiaries	Associates	Key Management Personnel (KMP)	Related entities of KMP	Other related parties
<b>1 Purchase of raw material and components</b>					
Estima AG	33.89	-	-	-	-
Pylania SA	1.59	-	-	-	-
<b>2 Sale of goods and services</b>					
Pylania SA	1,431.46	-	-	-	-
Estima AG	216.88	-	-	-	-
Ethos Limited	5.62	-	-	-	-
Silvercity Brands AG	1.92	-	-	-	-
<b>3 Purchase of property, plant and equipment</b>					
Estima AG	8.60	-	-	-	-
<b>4 Guarantee income</b>					
Estima AG	1.80	-	-	-	-

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

	Subsidiaries	Associates	Key Management Personnel (KMP)	Related entities of KMP	Other related parties
Pylania SA	8.46	-	-	-	-
<b>5 Job work charges paid</b>					
Pylania SA	40.99	-	-	-	-
Kamla Tesio Dials Limited	139.92	-	-	-	-
<b>6 Payment of lease liabilities</b>					
Mr. Yashovardhan Saboo	-	-	15.75	-	-
Mrs. Anuradha Saboo	-	-	26.25	-	-
Pylania SA	18.59	-	-	-	-
Saboo Housing Projects LLP	-	-	-	6.00	-
<b>7 Compensation to key managerial personnel*</b>					
Short-term employee benefits					
Mr. Yashovardhan Saboo	-	-	243.60	-	-
Mr. Sanjeev Kumar Masown	-	-	104.76	-	-
Mr. Brahm Prakash Kumar	-	-	42.53	-	-
<b>8 Interest income</b>					
Kamla International Holdings SA	97.17	-	-	-	-
Mr. Sanjeev Kumar Masown	-	-	3.24	-	-
<b>9 Interest paid/ accrued</b>					
Mr. Sanjeev Kumar Masown	-	-	8.35	-	-
Mrs. Usha Devi Saboo	-	-	-	-	12.22
Mrs. Neeraj Masown	-	-	-	-	9.60
Mr. Lal Chand Masown	-	-	-	-	1.50
Mr. Anil Khanna	-	-	16.42	-	-
Mrs. Alka Khanna	-	-	-	-	2.17
Mr. Praveen Gupta	-	-	2.93	-	-
Mrs. Anuradha Saboo	-	-	10.77	-	-
Mrs. Ranjana Agarwal	-	-	79.49	-	-
Ms. Salonee Khanna	-	-	-	-	0.58
Mr. Saahil Khanna	-	-	-	-	0.48
ASP Saboo Family Trust	-	-	-	0.47	-
Mr. R.K. Saboo	-	-	-	-	11.40
RKS JS Family Trust	-	-	-	12.52	-
UDS JS Family Trust	-	-	-	0.45	-
Veena Kanoria Family Trust	-	-	-	20.06	-
Mr. Brahm Prakash Kumar	-	-	4.79	-	-
Ms. Muskan Masown	-	-	-	-	1.69
<b>10 Deposits from shareholders accepted/renew</b>					
Mrs. Usha Devi Saboo	-	-	-	-	62.00
Mr. Yashovardhan Saboo	-	-	100.00	-	-
Mrs. Anuradha Saboo	-	-	150.00	-	-
Mr. Anil Khanna	-	-	49.40	-	-
Mrs. Ranjana Agarwal	-	-	210.86	-	-
Mr. Sanjeev Kumar Masown	-	-	49.93	-	-

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

	Subsidiaries	Associates	Key Management Personnel (KMP)	Related entities of KMP	Other related parties
Ms. Salonee Khanna	-	-	-	-	4.09
Mrs. Neeraj Masown	-	-	-	-	119.33
Mr. Lal Chand Masown	-	-	-	-	16.88
Ms. Muskan Masown	-	-	-	-	40.72
ASP Saboo Family Trust	-	-	-	5.18	-
RKS JS Family Trust	-	-	-	191.60	-
UDS JS Family Trust	-	-	-	5.00	-
Veena Kanoria Family Trust	-	-	-	240.00	-
Mr. Brahm Prakash Kumar	-	-	23.21	-	-
<b>11 Deposits from shareholders repaid</b>					
Mr. Anil Khanna	-	-	47.16	-	-
Mr. Yashovardhan Saboo	-	-	100.00	-	-
Mr. Lal Chand Masown	-	-	-	-	15.27
Mrs. Neeraj Masown	-	-	-	-	60.58
Ms. Muskan Masown	-	-	-	-	20.00
Ms. Salonee Khanna	-	-	-	-	3.15
Mrs. Ranjana Agarwal	-	-	282.79	-	-
Mr. Sanjeev Kumar Masown	-	-	36.82	-	-
Mrs. Usha Devi Saboo	-	-	-	-	40.00
RKS JS Family Trust	-	-	-	45.00	-
ASP Saboo Family Trust	-	-	-	5.00	-
UDS JS Family Trust	-	-	-	5.00	-
Veena Kanoria Family Trust	-	-	-	140.00	-
Mr. Brahm Prakash Kumar	-	-	13.58	-	-
<b>12 Rent received</b>					
Ethos Limited	42.06	-	-	-	-
Kamla Tesio Dials Limited	14.64	-	-	-	-
Cognition Digital LLP	0.60	-	-	-	-
Mahen Distribution Limited	0.60	-	-	-	-
Vardhan Properties and Investment Limited	-	-	-	0.60	-
<b>13 Loans and advances given by the Company</b>					
Mr. Sanjeev Kumar Masown	-	-	80.00	-	-
<b>14 Reimbursement of expenses paid by the Company</b>					
Pylania SA	103.64	-	-	-	-
Ethos Limited	43.68	-	-	-	-
<b>15 Management consultancy fees paid</b>					
Ms. Satvika Saboo Suri	-	-	-	-	12.50
<b>16 Reimbursement of expenses received by the Company</b>					
Ethos Limited	5.08	-	-	-	-
Pylania SA	28.84	-	-	-	-
<b>17 Investments made (Refer to Note 5)</b>					
Ethos Limited	397.87	-	-	-	-
Silvercity Brands AG	740.94	-	-	-	-
Kamla Tesio Dials Limited	12.94	-	-	-	-

# NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

	Subsidiaries	Associates	Key Management Personnel (KMP)	Related entities of KMP	Other related parties
<b>18 CSR contribution made</b>					
KDDL Ethos Foundation	-	-	-	18.53	-
<b>19 Dividend Received</b>					
Mahen Distribution Limited	7,206.84	-	-	-	-
<b>20 Dividend paid</b>					
Mr. Yashovardhan Saboo	-	-	1,360.44	-	-
Mr. Sanjiv Sachar	-	-	0.91	-	-
Mrs. Anuradha Saboo	-	-	269.31	-	-
Mr. Nagarajan Subramanian	-	-	0.02	-	-
Mr. Anil Khanna	-	-	1.03	-	-
Mr. Brahm Prakash Kumar	-	-	1.36	-	-
Mr. R.K. Saboo	-	-	-	-	1,200.66
Mrs. Usha Devi Saboo	-	-	-	-	101.94
Mr. Pranav S Saboo	-	-	-	-	479.43
Ms. Satvika Saboo Suri	-	-	-	-	90.80
Mrs. Alka Khanna	-	-	-	-	0.12
Vardhan Properties and Investment Limited	-	-	-	22.89	-
Dream Digital Technology Private Limited	-	-	-	17.65	-
Saboo Ventures LLP	-	-	-	39.55	-
Mr. Lal Chand Masown	-	-	-	-	0.00
Mr. Saahil Khanna	-	-	-	-	0.00
Mrs. Neeraj Masown	-	-	-	-	0.00
Ms. Salonee Khanna	-	-	-	-	0.01
Ms. Muskan Masown	-	-	-	-	0.00
<b>21 Director sitting fee</b>					
Mr. Anil Khanna	-	-	8.40	-	-
Mrs. Ranjana Agarwal	-	-	5.43	-	-
Mr. Praveen Gupta	-	-	6.83	-	-
Mr. Sanjiv Sachar	-	-	4.30	-	-
Mr. Jai Vardhan Saboo	-	-	1.38	-	-
Mrs. Neelima Tripathi	-	-	2.88	-	-
Mrs. Anuradha Saboo	-	-	2.63	-	-
Mr. Nagarajan Subramanian	-	-	3.58	-	-
<b>22 Events and exhibition</b>					
Ethos Limited	5.60	-	-	-	-
<b>23 Employee benefit expense</b>					
Mr. R.K. Saboo	-	-	-	-	30.00
<b>24 Contractual labour expenses</b>					
Mahen Distribution Limited	345.19	-	-	-	-

\*(Excluding provision for leave encashment and gratuity as they are determined on an actuarial basis for the company as a whole)



**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

**d) Balances due from/to the related parties**

**As at 31<sup>st</sup> March 2025**

	Subsidiaries	Associates	Key Management Personnel (KMP)	Related entities of KMP	Other related parties
<b>1 Loans</b>					
Mr. Sanjeev Kumar Masown	-	-	160.33	-	-
Kamla International Holdings SA	1,344.70	-	-	-	-
<b>2 Other current assets</b>					
Mr. Yashovardhan Saboo	-	-	13.39	-	-
Mr. Sanjeev Kumar Masown	-	-	4.47	-	-
<b>3 Trade receivables</b>					
Pylania SA	154.30	-	-	-	-
Estima AG	143.40	-	-	-	-
Ethos Limited	2.40	-	-	-	-
Silvercity Brand AG	4.39	-	-	-	-
<b>4 Other financial assets</b>					
Pylania SA	38.30	-	-	-	-
Kamla International Holdings SA	24.87	-	-	-	-
Estima AG	63.85	-	-	-	-
Silvercity Brand AG	2.86	-	-	-	-
Artisan Watch Products Private Limited	-	-	-	5.09	-
Mrs. Anuradha Saboo	-	-	1.94	-	-
<b>5 Payables</b>					
Kamla Tesio Dials Limited	26.89	-	-	-	-
Estima AG	8.90	-	-	-	-
Pylania SA	105.70	-	-	-	-
<b>6 Guarantees given</b>					
Pylania SA	1,741.92	-	-	-	-
<b>7 Deposits from shareholders and directors</b>					
Mr. Sanjeev Kumar Masown	-	-	98.62	-	-
Mr. Yashovardhan Saboo	-	-	200.00	-	-
Mr. Praveen Gupta	-	-	30.00	-	-
Mr. Lal Chand Masown	-	-	-	-	18.25
Mrs. Neeraj Masown	-	-	-	-	107.73
Mrs. Anuradha Saboo	-	-	162.30	-	-
Mrs. Usha Devi Saboo	-	-	-	-	308.00
ASP Saboo Family Trust	-	-	-	5.60	-
Mr. R.K. Saboo	-	-	-	-	160.00
RKS JS Family Trust	-	-	-	146.60	-
UDS JS Family Trust	-	-	-	5.00	-
Ms. Muskan Masown	-	-	-	-	20.72

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

	Subsidiaries	Associates	Key Management Personnel (KMP)	Related entities of KMP	Other related parties
Veena Kanoria Family Trust	-	-	-	240.00	-
Mr. Brahm Prakash Kumar	-	-	51.60	-	-
<b>8 Interest accrued but not due</b>					
Mr. Sanjeev Kumar Masown	-	-	15.38	-	-
Mr. Yashovardhan Saboo	-	-	12.43	-	-
Mr. R.K. Saboo	-	-	-	-	1.89
Mr. Lal Chand Masown	-	-	-	-	2.17
Mrs. Neeraj Masown	-	-	-	-	21.30
Mrs. Anuradha Saboo	-	-	28.84	-	-
ASP Saboo Family Trust	-	-	-	0.48	-
RKS JS Family Trust	-	-	-	4.34	-
Mrs. Usha Devi Saboo	-	-	-	-	6.85
Ms. Muskan Masown	-	-	-	-	3.05
Mr. Brahm Prakash Kumar	-	-	10.31	-	-
<b>9 Employee related payables</b>					
Mr. Yashovardhan Saboo	-	-	8.17	-	-
Mr. Sanjeev Kumar Masown	-	-	8.15	-	-
Mr. R.K. Saboo	-	-	-	-	2.12
Mr. Brahm Prakash Kumar	-	-	2.33	-	-

**As at 31<sup>st</sup> March 2024**

	Subsidiaries	Associates	Key Management Personnel (KMP)	Related entities of KMP	Other related parties
<b>1 Loans</b>					
Mr. Sanjeev Kumar Masown	-	-	94.68	-	-
Kamla International Holdings SA	1,275.12	-	-	-	-
<b>2 Interest Receivable from Director</b>					
Mr. Sanjeev Kumar Masown	-	-	2.23	-	-
<b>3 Other current assets</b>					
Mr. Yashovardhan Saboo	-	-	1.71	-	-
<b>4 Trade receivables</b>					
Pylania SA	217.71	-	-	-	-
Estima AG	88.15	-	-	-	-
<b>5 Other financial assets</b>					
Pylania SA	6.37	-	-	-	-
Kamla International Holdings SA	73.86	-	-	-	-
Estima AG	8.31	-	-	-	-
Kamla Tesio Dials Limited	7.05	-	-	-	-
Cognition Digital LLP	0.41	-	-	-	-

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

	Subsidiaries	Associates	Key Management Personnel (KMP)	Related entities of KMP	Other related parties
<b>6 Advances for supply of Goods</b>					
Kamla Tesio Dials Limited	1.00	-	-	-	-
<b>7 Payables</b>					
Kamla Tesio Dials Limited	10.83	-	-	-	-
Mahen Distribution Limited	28.34	-	-	-	-
Estima AG	4.66	-	-	-	-
Ethos Limited	1.78	-	-	-	-
Pylania SA	133.69	-	-	-	-
Mrs. Anuradha Saboo	-	-	0.47	-	-
Mr. Anil Khanna	-	-	0.65	-	-
Mrs. Ranjana Agarwal	-	-	0.65	-	-
Mr. Praveen Gupta	-	-	0.47	-	-
Mr. Sanjiv Sachar	-	-	0.18	-	-
Mrs. Neelima Tripathi	-	-	0.47	-	-
Mr. Nagarajan Subramanian	-	-	0.65	-	-
<b>8 Guarantees given</b>					
Pylania SA	1,698.22	-	-	-	-
<b>9 Deposits from shareholders and directors</b>					
Mr. Sanjeev Kumar Masown	-	-	78.62	-	-
Mr. Praveen Gupta	-	-	30.00	-	-
Mr. Lal Chand Masown	-	-	-	-	16.88
Mrs. Neeraj Masown	-	-	-	-	102.37
Mr. Anil Khanna	-	-	163.16	-	-
Mrs. Anuradha Saboo	-	-	150.00	-	-
Mrs. Alka Khanna	-	-	-	-	22.20
Mrs. Ranjana Agarwal	-	-	627.01	-	-
Mrs. Usha Devi Saboo	-	-	-	-	132.00
Ms. Salonee Khanna	-	-	-	-	5.94
Mr. Saahil Khanna	-	-	-	-	4.50
ASP Saboo Family Trust	-	-	-	5.18	-
Mr. R.K. Saboo	-	-	-	-	120.00
RKS JS Family Trust	-	-	-	146.60	-
UDS JS Family Trust	-	-	-	5.00	-
Ms. Muskan Masown	-	-	-	-	20.72
Veena Kanoria Family Trust	-	-	-	240.00	-
Mr. Brahm Prakash Kumar	-	-	50.89	-	-

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

	Subsidiaries	Associates	Key Management Personnel (KMP)	Related entities of KMP	Other related parties
<b>10 Interest accrued but not due</b>					
Mr. Sanjeev Kumar Masown	-	-	6.63	-	-
Mr. Lal Chand Masown	-	-	-	-	0.56
Mrs. Neeraj Masown	-	-	-	-	10.05
Mr. Anil Khanna	-	-	18.03	-	-
Mrs. Alka Khanna	-	-	-	-	0.07
Mrs. Ranjana Agarwal	-	-	115.12	-	-
Mrs. Anuradha Saboo	-	-	10.77	-	-
ASP Saboo Family Trust	-	-	-	0.41	-
RKS JS Family Trust	-	-	-	1.83	-
Ms. Salonee Khanna	-	-	-	-	0.58
Mr. Saahil Khanna	-	-	-	-	0.73
Mrs. Usha Devi Saboo	-	-	-	-	1.90
Ms. Muskan Masown	-	-	-	-	0.88
Mr. Brahm Prakash Kumar	-	-	4.81	-	-
<b>11 Employee related payables</b>					
Mr. Yashovardhan Saboo	-	-	18.14	-	-
Mr. Sanjeev Kumar Masown	-	-	7.02	-	-
Mr. R.K. Saboo	-	-	-	-	1.74
Mr. Brahm Prakash Kumar	-	-	1.66	-	-
<b>12 Lease Liabilities</b>					
Saboo Housing Projects LLP	-	-	-	3.83	-

### e) Terms and conditions of transactions with related parties

All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business. Outstanding balances at the year end are unsecured and settlement occurs in cash.

## 39 OPERATING SEGMENTS

### (a) Basis for segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chairman and Managing Director to make decisions about resources to be allocated to the segments and assess their performance.

The Company has two reportable segments, as described below, which are the Company's strategic business units. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the Company's Chairman and Managing Director reviews internal management reports on at least a quarterly basis.

The following summary describes the operations in each of the Company's reportable segments:

Reportable segments	Operations
Precision and watch components	Manufacturing and distribution of dials, watch hands, bracelets and precision components
Others	Manufacturing and distribution of packaging boxes

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**
**(b) Information about reportable segments**

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Company's Chairman and Managing Director. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

<b>Year ended 31<sup>st</sup> March 2025</b>	<b>Precision and watch components</b>	<b>Others</b>	<b>Total</b>
Segment revenue:			
- External revenues	35,264.66	1,692.16	36,956.82
<b>Total segment revenue</b>	<b>35,264.66</b>	<b>1,692.16</b>	<b>36,956.82</b>
<b>Segment profit before income tax</b>	<b>8,063.22</b>	<b>19.06</b>	<b>8,082.28</b>
Segment profit before income tax includes:			
- Interest expense	1,050.27	39.69	1,089.96
- Depreciation and amortisation	1,586.50	52.39	1,638.89
<b>Segment assets</b>	<b>30,929.31</b>	<b>1,591.77</b>	<b>32,521.08</b>
Segment assets include:			
- Capital expenditure during the year	1,837.97	569.34	2,407.31
<b>Segment liabilities</b>	<b>6,705.97</b>	<b>253.65</b>	<b>6959.62</b>

<b>Year ended 31<sup>st</sup> March 2024</b>	<b>Precision and watch components</b>	<b>Others</b>	<b>Total</b>
Segment revenue:			
- External revenues	33,561.42	1,501.09	35,062.51
<b>Total segment revenue</b>	<b>33,561.42</b>	<b>1,501.09</b>	<b>35,062.51</b>
<b>Segment profit before income tax</b>	<b>17,506.93</b>	<b>130.27</b>	<b>17,637.20</b>
<b>Segment assets</b>	<b>25,152.60</b>	<b>867.41</b>	<b>26,020.01</b>
Segment assets include:			
- Capital expenditure during the year	3,193.13	243.15	3,436.28
<b>Segment liabilities</b>	<b>7,629.79</b>	<b>186.44</b>	<b>7,816.23</b>

**(c) Reconciliations of information on reportable segments to Ind AS measures**

	<b>As at 31<sup>st</sup> March 2025</b>	<b>As at 31<sup>st</sup> March 2024</b>
<b>i. Revenues</b>		
Total revenue for reportable segments	36,956.83	35,062.51
<b>Total revenue</b>	<b>36,956.83</b>	<b>35,062.51</b>
<b>ii. Profit before income tax</b>		
Total profit before tax for reportable segments	8,082.28	17,637.20
Finance Cost	(1,089.97)	(885.07)
Unallocated amounts:		
Corporate (expenses)/income	(1,112.46)	8,648.90
<b>Consolidated profit before tax</b>	<b>5,879.85</b>	<b>25,401.03</b>
<b>iii. Assets</b>		
Total assets for reportable segments	32,521.08	26,020.01
Unallocated amounts	21,874.42	30,552.90
<b>Consolidated total assets</b>	<b>54,395.50</b>	<b>56,572.91</b>
<b>iv. Liabilities</b>		
Total liabilities for reportable segments	6,959.62	7,816.22

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Unallocated amounts	14,296.64	9,048.75
<b>Consolidated total liabilities</b>	<b>21,256.26</b>	<b>16,864.96</b>

### v. Other material items

	Reportable segment total	Adjustments	Consolidated total
<b>Year ended 31<sup>st</sup> March 2025</b>			
Finance cost	-	1,089.97	1,089.97
Depreciation and amortisation expense	1,638.89	236.82	1,875.71
Capital expenditure during the year	2,407.31	99.65	2,506.96
<b>Year ended 31<sup>st</sup> March 2024</b>			
Finance cost	-	885.07	885.07
Depreciation and amortisation expense	1,141.37	244.34	1,385.70
Capital expenditure during the year	3,436.28	47.59	3,483.87

### (d) Information about geographical segment

Revenue by geographical markets	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
<b>India</b>	<b>12,998.74</b>	<b>10,406.88</b>
<b>Outside India</b>		
Switzerland	12,972.71	17,615.62
Germany	1,266.59	1,113.16
Czech Republic	1,153.94	538.71
France	370.16	586.20
USA	6,007.39	2,847.85
United Kingdom	1,361.16	1,353.33
Portugal	169.84	216.91
China	217.22	139.10
Other Countries	439.08	244.75
<b>Total outside India</b>	<b>23,958.09</b>	<b>24,655.63</b>
<b>Total</b>	<b>36,956.83</b>	<b>35,062.51</b>

\*In presenting the geographical information, segment revenue has been based on the geographic location of the customers.

### (e) Major customer

Revenue from three customers of the Company's Precision and watch components segment is Rs.14,680.56 (Year ended 31<sup>st</sup> March 2024: Rs. 13,124.95) which individually constitute more than 10 percent of the Company's total revenue.

Revenue from	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Customer 1	5,103.28	5,570.21
Customer 2	4,819.40	3,881.74
Customer 3	4,757.87	3,673.00

- 40** The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulation under Sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by the due date as required under law. The management is of the opinion that its international transactions are at arm's length so that

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of income tax expense and that of provision for taxation.

### 41 COMPANY AS A LESSEE

The Company has lease contracts for various items of plant and equipment, building and land used in its operations. Leases of plant and equipment generally have lease terms between 3-5 years, while buildings generally have lease terms between 1-10 years, while leasehold land has lease term of 99 years. The Company obligations under its leases are secured by the lessor's title to the leased assets.

The Company has certain leases with lease terms of 12 months or less and certain leases with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

**The carrying amounts of right-of-use assets recognised and the movements during the year:**

Particulars	Plant and equipment	Building	Leasehold land*	Total
<b>As at 1<sup>st</sup> April 2023</b>	<b>72.90</b>	<b>168.47</b>	<b>535.62</b>	<b>776.99</b>
Additions	306.99	110.66	-	417.65
Depreciation expense	(113.01)	(95.91)	(6.28)	(215.20)
<b>As at 31<sup>st</sup> March 2024</b>	<b>266.88</b>	<b>183.23</b>	<b>529.34</b>	<b>979.44</b>

Particulars	Plant and equipment	Building	Leasehold land*	Total
<b>As at 1<sup>st</sup> April 2024</b>	<b>266.88</b>	<b>183.23</b>	<b>529.34</b>	<b>979.44</b>
Additions	2,144.85	1,148.07	-	3,292.92
Depreciation expense	(400.51)	153.34	(6.28)	(560.13)
<b>As at 31<sup>st</sup> March 2025</b>	<b>2,011.22</b>	<b>1,177.96</b>	<b>523.06</b>	<b>3,712.23</b>

\*Includes leasehold land of Rs. 5.67 (31<sup>st</sup> March 2024: Rs. 5.67) situated at Parwanoo for which the Company is in the process of completing formalities for transferring the title deed in its own name.

**The carrying amounts of lease liabilities and the movements during the year:**

Particulars	Total
<b>As at 1<sup>st</sup> April 2023</b>	<b>305.88</b>
Additions	417.65
Accretion of interest	74.05
Payments	(353.40)
<b>As at 31<sup>st</sup> March 2024</b>	<b>444.17</b>

Particulars	Total
<b>As at 1<sup>st</sup> April 2024</b>	<b>444.17</b>
Additions	3,292.92
Accretion of interest	265.52
Payments	(505.39)
<b>As at 31<sup>st</sup> March 2025</b>	<b>3,497.22</b>

	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
Current	705.45	150.44
Non-current	2,791.77	293.73
	3,497.22	444.17

The details regarding the maturity analysis of lease liabilities as at 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024 on an undiscounted basis is disclosed in Note 34.

Considering the lease term of the leases, the effective interest rate for lease liabilities is 11.98%.

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.



## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

The following are the amounts recognised in profit and loss for the year ended 31<sup>st</sup> March 2024 and 31<sup>st</sup> March 2025:

### For the year ended 31<sup>st</sup> March 2024

Particulars	Plant and equipment	Building	Land	Investment property	Total
Depreciation expense of right-of-use assets and investment property	113.01	95.91	6.28	47.68	262.88
Interest expense on lease liabilities	43.82	30.23	-	-	74.05
Expense relating to short-term leases (included in other expenses)	-	18.94	-	-	18.94
<b>Total amount recognised in profit and loss</b>	<b>156.82</b>	<b>145.08</b>	<b>6.28</b>	<b>47.68</b>	<b>355.86</b>

### For the year ended 31<sup>st</sup> March 2025

Particulars	Plant and equipment	Building	Land	Investment property	Total
Depreciation expense of right-of-use assets and investment property	400.51	153.34	6.28	25.41	585.54
Interest expense on lease liabilities	158.39	107.13	-	-	265.52
Expense relating to short-term leases (included in other expenses)	-	22.95	-	-	22.95
<b>Total amount recognised in profit and loss</b>	<b>558.90</b>	<b>283.42</b>	<b>6.28</b>	<b>25.41</b>	<b>874.01</b>

The Company had total cash outflows for leases of Rs. 999.30 in 31<sup>st</sup> March 2025 (Rs. 432.77 in 31<sup>st</sup> March 2024). (Excluding rent expenses capitalised during the year Rs. 461.40 (Rs. 199.64 in 31<sup>st</sup> March 2024))

### Company as a lessor

The Company has entered into operating lease on its investment property portfolio consisting of building. This lease has term of 120 months. The lease include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. Rental income recognised by the Company on this property during the year is Rs. 31.36 (31<sup>st</sup> March 2024: Rs. 42.00). The Investment property comprises of the sub lease portion of the right-of-use asset and therefore, the fair value of the investment property cannot be measured reliably.

There are no material direct operating expenses (including repairs and maintenance) arising from investment property that generated rental income during the period.

The fair value of the Investment property as at 31<sup>st</sup> March 2025 is approximately equal to carrying amount considering the value of the investment property has been determined based on the market rentals.

### The carrying amounts of investment property recognised and the movements during the year:

Particulars	Total
As at 1 <sup>st</sup> April 2023	-
Additions	60.40
Depreciation expense	(47.68)
<b>As at 31<sup>st</sup> March 2024</b>	<b>12.72</b>
Particulars	Total
As at 1 <sup>st</sup> April 2024	12.72
Additions	190.40
Depreciation expense	(25.41)
<b>As at 31<sup>st</sup> March 2025</b>	<b>177.71</b>

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**
**The following table provides details regarding the contractual maturities of significant financial assets on an undiscounted basis:**

	Less than 1 Year	1 to 2 Years	2 to 5 Years	More than 5 Years	Total	Carrying Amount
<b>31<sup>st</sup> March 2025</b>						
<b>Non-derivative financial assets</b>						
Investment property	27.08	28.72	97.00	173.40	326.20	177.71
	<b>27.08</b>	<b>28.72</b>	<b>97.00</b>	<b>173.40</b>	<b>326.20</b>	<b>177.71</b>
<b>31<sup>st</sup> March 2024</b>						
<b>Non-derivative financial assets</b>						
Investment property	14.00	-	-	-	14.00	12.72
	<b>14.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14.00</b>	<b>12.72</b>

**42 DISCLOSURES PURSUANT TO SECTION 186 OF THE COMPANIES ACT, 2013:**

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>a) Investment *</b>		
<b>Investment in subsidiary: Pylania SA</b>		
Balance as at the year end	2,173.73	195.57
Maximum amount outstanding at any time during the year	2,173.73	281.24
<b>Investment in subsidiary: Ethos Limited</b>		
Balance as at the year end	11,720.27	11,720.27
Maximum amount outstanding at any time during the year	11,720.27	11,769.27
<b>Investment in subsidiary: Mahen Distribution Limited</b>		
Balance as at the year end	936.00	936.00
Maximum amount outstanding at any time during the year	936.00	936.00
<b>Investment in subsidiary: Kamla International Holdings SA</b>		
Balance as at the year end	72.55	72.55
Maximum amount outstanding at any time during the year	72.55	1,944.36
<b>Investment in subsidiary: Kamla Tesio Dials Limited</b>		
Balance as at the year end	62.84	43.40
Maximum amount outstanding at any time during the year	62.84	43.40
<b>Investment in subsidiary: Silvercity Brands AG</b>		
Balance as at the year end	1,466.45	740.94
Maximum amount outstanding at any time during the year	1,466.45	740.94
<b>Investment in Company: Karolview Developers Private Limited</b>		
Balance as at the year end	43.54	43.55
Maximum amount outstanding at any time during the year	43.55	43.65
<b>Investment in Company: Shivalik Waste Management Limited</b>		
Balance as at the year end	7.15	6.43
Maximum amount outstanding at any time during the year	7.15	6.43
<b>b) The Company has given loan to a Subsidiary Company, loan outstanding as at year end is given in below mentioned table along with purpose of the loan as required u/s 186(4) of the Companies Act, 2013.</b>		
<b>Loans given for general corporate purpose</b>		
Kamla International Holdings SA (7.50 % per annum)	1,344.70	1,275.12
<b>Loan given to Director for purchase / construction of property</b>	160.33	94.68
Mr. Sanjeev Kumar Masown (5.00% per annum)		
<b>c) Guarantees given</b>		
Guarantees given to subsidiaries:		
Balance as at the year end		
Pylania SA	1,741.92	1,698.22
(Guarantees have been given for the purpose of borrowings taken by subsidiary company)		

\* Investments are net off provision for impairment losses recognised in the Financial Statement.

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

### 43 LIST OF SUBSIDIARIES WITH OWNERSHIP % AND PLACE OF BUSINESS:

	Principal place of business	Method used to account for the investment	Proportion of ownership as at 31 <sup>st</sup> March 2025	Proportion of ownership as at 31 <sup>st</sup> March 2024
<b>Subsidiaries</b>				
Ethos Limited*	India	At cost	47.03%	47.03%
Mahen Distribution Limited	India	At cost	100.00%	100.00%
Kamla International Holdings SA	Switzerland	At cost	100.00%	100.00%
Pylania SA	Switzerland	At cost	100.00%	37.75%
Kamla Tesio Dials Limited	India	At cost	99.99%	99.99%
Silvercity Brands AG	Switzerland	At cost	25.00%	25.00%

\*As of the current reporting period, the Company holds 47.03% equity stake in Ethos Limited. Also, Mahen Distribution Private Limited, a wholly owned subsidiary company, holds equity stake in Ethos Limited of 3.09 %. Accordingly, the effective share holding in Ethos limited is 50.12% and it has been classified as subsidiary at standalone level.

### 44 RATIO ANALYSIS

Ratios	Numerator	Denominator	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024	% Change	Remarks
<b>Current Ratio</b>	Current Assets	Current Liabilities	1.39	2.02	-31.08%	The maturity of short-term fixed deposits has resulted in a decline in current assets.
<b>Debt Equity Ratio</b>	Total Debt	Shareholder's Equity	0.39	0.18	117.35%	Due to the capitalization of new units and the decrease in other equity due to buy back, debts and lease obligations have been increased during the year.
<b>Debt Service Coverage Ratio</b>	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	2.75	8.44	-67.37%	The earnings for debt service has been declined during the current year.
<b>Return on Equity Ratio</b>	Net Profits after taxes	Average Shareholder's Equity	13.52%	67.68%	-80.03%	Due to dividend income and profits on the sale of some non-current investments, other income has been reduced during the current year compared to previous year.
<b>Inventory Turnover Ratio</b>	Cost of goods sold	Average Total Inventory	1.85	1.93	-4.06%	
<b>Trade Receivable turnover Ratio</b>	Net credit sales = Gross credit sales - sales return-export incentives	Average Trade Receivable	6.12	6.21	-1.39%	
<b>Trade Payable turnover Ratio</b>	Net credit purchases = Gross credit purchases-purchase return	Average Trade Payables	4.27	3.48	22.66%	Due to the increase in credit purchases of raw material and reduction in outstanding balance of trade payables at the end of current year.

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

Ratios	Numerator	Denominator	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024	% Change	Remarks
<b>Net Capital Turnover Ratio</b>	Net credit sales = Gross credit sales - sales return- export incentives	Working capital = Current assets – Current liabilities	7.74	2.66	190.52%	Due to the maturity of short-term fixed deposits, the company's current assets have been declined significantly current year compared to revenue from operational activities.
<b>Net Profit Ratio</b>	Net Profit After Tax	Net credit sales = Gross credit sales - sales return- export incentives	13.50%	63.55%	-78.76%	Compared to the prior year, other income has been reduced this year. The prior year's earnings were increased by dividend income and the sale of non-current investments.
<b>Return on Capital Employed</b>	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	15.08%	55.42%	-72.80%	There has been a decrease in other income this year in comparison to previous year. Non-current investments in Subsidiary Company were sold, and dividend income helped improve the previous year's earnings before interest and taxes.
<b>Return on Investment</b>	Income on Investment	Average Investment	0.00%	122.80%	-100.00%	

**45 OTHER STATUTORY INFORMATION**

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company does not have any transactions with companies struck off.
- The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) except disclosed in Note 46(d) with the understanding that the Intermediary shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries); or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- The Company has not received any fund from any person or entity, including foreign entities (Funding Party) 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,
- The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

- 46** a) During the previous year, impairment indicators were identified in relation to investment made in equity shares of a foreign subsidiary of the Company, Kamla International Holdings SA and Pylania SA. As on 31<sup>st</sup> March 2024, the Company was carrying investment of Rs. 2,225.60 in said subsidiaries. An impairment assessment had been carried out by comparing the carrying value of the investment in subsidiaries to its recoverable amount to determine whether an impairment provision was required to be recognised. Based on the above assessment, the Company had recognised impairment allowance in value of investment aggregating to Rs. 1,957.48.

## NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

During the current year, the management has estimated the recoverable amount of its investment in such subsidiaries using the 'Discounted Cash Flow valuation model and as per such assessment done by the management, no further adjustments are required to the carrying value of the investments and in loans given to such subsidiaries as at 31<sup>st</sup> March 2025.

- b) The estimate of value in use was determined using a pre-tax discount rate of 6.27% (31<sup>st</sup> March 2024 : 7.00%) and a terminal value growth rate of 1% from 31<sup>st</sup> March 2029.
- c) As per Section 128 of the Companies Act, 2013 read with proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 with reference to use of accounting software by the Company for maintaining its books of account, has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such change were made and ensuring that the audit trail cannot be disabled. The Company uses an accounting software for maintaining its books of account 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 accounting software. However, the audit trail (edit logs) feature for any direct changes made at the database level was not enabled for accounting software used for maintenance of books of account. Further, there are no instances of audit trail feature being tampered with, other than the consequential impact of the exceptions given above. Furthermore, except for matters mentioned above, the audit trail has been preserved by the Company as per the statutory requirements for record retention.
- d) During the year ended 31<sup>st</sup> March 2023, the Company has granted loan of CHF 1,400,000 (Rs. 1,244.60) and made further investment of CHF 1,000,000 (Rs. 846.70) in equity shares of its wholly owned subsidiary Kamla International Holdings SA with an understanding that the subsidiary company will further invest these funds in wholly owned subsidiaries of the Group naming Pylania SA and Estima AG. Out of the total amount invested CHF 6,00,000 was unutilised as at 31<sup>st</sup> March 2023. Mentioned below are the details of balance fund utilised by the said subsidiary Company.

Date	Particulars	Amount in CHF
<b>Opening balance</b>		
1 <sup>st</sup> April 2023	Opening unutilized Fund Balance	6,00,000
		<b>6,00,000</b>
<b>Cash outflow</b>		
27 <sup>th</sup> April 2023	Investment in Equity of Estima AG	1,44,000
25 <sup>th</sup> May 2023	Loan to Estima AG	1,50,000
29 <sup>th</sup> June 2023	Interest Payment to Holding Company	66,740
29 <sup>th</sup> August 2023	Interest Payment to Holding Company	26,178
11 <sup>th</sup> March 2025	Loan to Pylania SA	2,13,082
		<b>6,00,000</b>
<b>Unutilised fund balance as at the year end</b>		-

- 47 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.
- 48 During the year, Company has concluded the buy back of 2,37,837 equity shares for an aggregate amount of Rs. 8,799.97 being 1.90% of the total paid up equity share capital at average price of Rs. 3,700 per equity share as approved by the Board of Directors in meeting held on 9<sup>th</sup> July 2024. The equity shares bought back were extinguished on 23<sup>rd</sup> September 2024. Capital redemption reserve was created to the extent of share capital extinguished (Rs. 23.78). The excess cost of buyback of Rs. 8,848.14 (including Rs. 71.95 (net of tax) towards transaction cost of buy back) over par value of shares were offered from securities premium (Rs. 8,776.19) and retained earnings (Rs. 71.95) and corresponding tax on buyback of Rs. 2,044.50 were offset from retained earnings.
- 49 During the previous year, the Company had sold 4,90,000 equity shares of Ethos Limited (subsidiary company) in the open market, pursuant to this sale the company had accounted for gain on sale of shares amounting to Rs. 12,170.12 in other income.
- 50 During the previous year, the Company had invested an amount of CHF 7,87,500 (equivalent to Rs. 740.94) against 15,00,000 equity shares of Swiss Franc CHF 1 each, partly paid up of Swiss Franc CHF 0.50 each in of its subsidiary Silvercity Brands AG. Further, the Company has paid the balance amount as second and final instalment of CHF 7,87,500 (equivalent to Rs. 725.51) during the current year. After completion of this transaction, Company is directly holding 20.78% shareholding in Silvercity Brands AG as on 31<sup>st</sup> March 2025.

**NOTES TO THE STANDALONE IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

**(All amounts are in Indian Rupees Lacs except for share data)**

- 51** During the current year, Company has capitalized its bracelet factory w.e.f. 30<sup>th</sup> September 2024 for Rs 2,313.88 including Rs 1,282.92 and Rs 987.77 towards pre-operating expenses and trial run cost, respectively and net of Rs 1,221.15 towards development and tooling cost of the test models and trial runs amount received from one of the customer. Also, the Company has received advance of Rs. 1,413.00 from a major customer which will be adjusted against future sales to that customer.
- 52** During the previous year, subsidiary company i.e. Mahen distribution Limited declared an interim dividend of Rs. 120 per share amounting to Rs. 7,206.84, based on aforesaid declaration and subsequent receipt of dividend, the Company had accounted for such amount in other income.
- 53** During the current year, the Company has purchased 12,450 (62.25%) equity shares of its subsidiary Pylania SA amounting to CHF 19,92,000 (equivalent to Rs. 1,978.16) from another subsidiary Company, Kamla International Holding SA. The Company after completion of this transaction is directly holding 100% shareholding in Pylania SA, earlier 62.25% of shareholding was held by Kamla International Holding SA.
- 54** During the current year, Company has capitalized its packaging facility at Panchkula, Haryana, for Rs. 664.40 (including Rs. 139.19 for trial run and pre-operating cost) concluded on 1<sup>st</sup> October 2024.

As per our report of even date

For **Walker Chandio & Co LLP**

Chartered Accountants

ICAI firm registration no.: 001076N/N500013

**Rohit Arora**

Partner

Membership No. 504774

Place: Gurugram

Date: 19<sup>th</sup> May 2025For and on behalf of the Board of Directors of **KDDL Limited****Yashovardhan Saboo**

Chairman and Managing Director

DIN: 00012158

**Brahm Prakash Kumar**

Company Secretary

Membership no. FCS7519

Place: Chandigarh

Date: 19<sup>th</sup> May 2025**Sanjeev Kumar Masown**

Whole time Director cum Chief Financial Officer

DIN: 03542390

# INDEPENDENT AUDITOR'S REPORT

To the Members of **KDDL Limited**

## Report on the Audit of the Consolidated Financial Statements

### OPINION

1. We have audited the accompanying consolidated financial statements of KDDL Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), and joint venture, as listed in Annexure 1, which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries and joint venture, the aforesaid consolidated 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 ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group and joint venture, as at 31<sup>st</sup> March 2025, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

### BASIS FOR OPINION

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the

ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

### EMPHASIS OF MATTER

4. In relation to the matter described in note 48 to the accompanying consolidated financial Statement, the following Emphasis of Matter paragraph included in audit report of the financial statements of Estima AG, a step-down subsidiary of the Holding Company, audited by an independent firm of Chartered Accountants, vide their audit report dated 30<sup>th</sup> April 2025 which is reproduced by us as under:

We draw attention to the fact, that tangible assets meet specific needs for Estima Ltd and might not be of the same value for a third party.

Furthermore, we draw attention to the fact that Estima Ltd is over-indebted as per article 725 para. 2 Swiss Code of Obligation (CO). Due to the fact that the company's creditors subordinated their claims amounting to CHF 11'173'000 the Board of Directors has refrained from notifying the court.

The amount of subordination is not enough and has to be raised by new subordinated loans. New subordinated Loans of CHF 200'000 will be created by KIHLL as of May 2025.

Our opinion is not modified in respect of this matter.

### KEY AUDIT MATTERS

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
6. We have determined the matter described below to be the key audit matters to be communicated in our report.



## INDEPENDENT AUDITOR'S REPORT (CONTD.)

Key audit matters	How our audit addressed the key audit matters
<p><b>1. <u>Existence and valuation of inventories – Ethos Limited</u></b></p> <ul style="list-style-type: none"> <li>Refer note 2.3(f) to the accompanying consolidated financial statements for material accounting policy information on inventories and Note 12 for details of inventories as at 31<sup>st</sup> March 2025.</li> <li>The total value of inventories as at 31<sup>st</sup> March 2025 amount to Rs. 59,267 lacs, representing 90% of the total inventories of the Group. The inventories primarily comprise of luxury watches, which are stored across various retail outlets and third-party locations situated nationwide and valued at cost and net realisable value ('NRV'), whichever is lower, in accordance with the principles of Ind AS 2, "Inventories" ('Ind AS 2').</li> <li>The Group conducts periodic physical verification as part of its physical verification plan. However, given the multiple locations, high value of such watches, there is an inherent risk of loss, including theft, which requires significant attention and audit efforts to obtain comfort on existence of such inventories.</li> <li>While assessing the provision for slow-moving or obsolete inventory management applies significant judgements and estimates, such as age of the products, past sales trend, future sales volumes of such brands, potential brand discontinuance, changing consumer demands and fashion trends.</li> <li>Owing to significance of carrying amount of inventories and significant management judgement and estimates involved, existence and valuation of inventories has been considered as a key audit matter during the current year audit.</li> </ul>	<p>Our audit procedures in relation to the existence and valuation of inventories included, but was not limited to, the following:</p> <ul style="list-style-type: none"> <li>Obtained an understanding of the management's process of physical verification and safeguarding of inventories, identifying slow-moving or obsolete inventory and NRV assessment and evaluated the appropriateness of related accounting policy for provision and valuation of inventories as per Ind AS 2;</li> <li>Evaluated the design and tested the operating effectiveness of management's key internal controls, including general and specific information technology controls over physical verification and valuation of inventories;</li> <li>On a sample basis, inspected management's inventory counts records and further observed physical verification conducted by the management and performed independent test counts including testing the roll-forward/roll-backward workings where required for locations selected based on materiality and risk considerations;</li> <li>Obtained ageing of inventories and tested the ageing, on sample basis;</li> <li>Understood, assessed and challenged the assumptions and reliability of information used by the management while estimating inventory provision by comparing carrying value of inventories with sales price during the year or subsequent to year end, past sale trend, analysis of inventory items by category and age and inquiries with key members of finance and procurement/brand team to understand plans for discontinuance, to ensure such judgements and assumptions are appropriate and supportable and are in line with our understanding of the business and industry conditions; and</li> <li>Evaluated the adequacy and appropriateness of the disclosures made in the consolidated financial statements in accordance with applicable accounting standards.</li> </ul>
<p><b>2. <u>Capitalisation of Property, Plant and Equipment – Holding Company</u></b></p> <p>Refer notes 2.3(c), 3 and 51 to the accompanying consolidated financial statements for material accounting policy information on property, plant and equipment ('PPE') and related financial statements disclosures respectively.</p> <p>During the current year, the Company has capitalised capital expenditure of ₹ 2,978 lacs with respect to setting up of two new production facilities i.e., manufacturing watch bracelets at Karnataka and packaging watch accessories at Haryana, comprising 11.04% of gross carrying value of total Property, Plant and Equipment ('PPE') as at 31<sup>st</sup> March 2025.</p>	<p>Our audit procedures included, but was not limited to, the following procedures:</p> <ul style="list-style-type: none"> <li>Obtained an understanding of the business process relating to capitalisation of PPE and assessed the appropriateness of the accounting policy adopted by the Company in accordance with Ind AS 16;</li> <li>Evaluated the design and tested operating effectiveness of key internal financial controls with respect to the capitalisation of PPE;</li> <li>Tested the additions made to PPE on a sample basis by checking underlying supporting documents such as invoices, goods received notes (GRNs), material receipt forms, etc. to ensure such items are recorded accurately with correct amount, in the correct class of PPE and in the correct period;</li> </ul>

## INDEPENDENT AUDITOR'S REPORT (CONTD.)

Such capital expenditure includes purchase costs and other costs including overheads directly attributable for bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management, which have been capitalised under various classes of PPE in accordance with the principles of Ind AS 16, Property, Plant and Equipment ('Ind AS 16').

The above non-recurring event for the Company required significant management efforts and judgement to identify costs that meet the recognition criteria under Ind AS 16, determine timing of capitalisation, classification of PPE under various classes, estimate useful lives and assign residual values to such capitalised items.

The aforesaid capitalisation is a significant non-recurring event for the year and accounting for the same has been identified as a significant risk for our audit that required significant auditor attention and efforts. Considering the magnitude of capital expenditure incurred and the significant efforts and judgement involved, we have determined this matter to be a key audit matter for the current year audit.

- Obtained the completion/installation certificate provided by the technical team to determine appropriateness of timing of capitalisation;
- In respect to allocated overheads, checked the reasonableness and appropriateness of such allocation;
- Assessed the appropriateness of useful economic lives and residual values with reference to the Groups historical experience, technical evaluation, requirements of Schedule II of the Companies Act, 2013 and our understanding of the Groups business; and
- Evaluated the appropriateness and adequacy of the disclosures made in the consolidated financial statements in accordance with the applicable accounting standards

### INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including joint venture in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group, and its joint venture company covered

## INDEPENDENT AUDITOR'S REPORT (CONTD.)

under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and joint venture are responsible for assessing the ability of the Group and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
10. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and joint venture.

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

11. Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
12. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due

to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and joint venture 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 consolidated 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 Group and joint venture to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, and joint venture, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the

## INDEPENDENT AUDITOR'S REPORT (CONTD.)

other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

13. 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.
14. 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.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### OTHER MATTERS

16. We did not audit the financial statements of 8 subsidiaries, whose financial statements reflect total assets of ₹ 53,003 lacs as at 31<sup>st</sup> March 2025, total revenues of ₹ 6,282 lacs and net cash inflows amounting to ₹ 12,490 lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹ 7 lacs for the year ended 31<sup>st</sup> March 2025 in respect of a joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries and joint venture, are based solely on the reports of the other auditors.
- Further, of these subsidiaries, 4 subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with

accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of such subsidiaries located outside India, is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

17. We did not audit the financial statements of a subsidiary, whose financial statements reflect total assets of ₹ 17 lacs as at 31<sup>st</sup> March 2025, total revenues of ₹ Nil and net cash outflows amounting to ₹ 227 lacs for the year ended on that date, as considered in the consolidated financial statements. This financial information is unaudited and has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, this financial information is not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial statement certified by the management.

18. The consolidated financial statements of the Group for the year ended 31<sup>st</sup> March 2025 were audited by the predecessor auditor, S.R. Batliboi & Co. LLP, Chartered Accountants, who have expressed an unmodified opinion on those consolidated financial statements vide their audit report dated 14<sup>th</sup> May 2024.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

19. As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 16, on separate financial

## INDEPENDENT AUDITOR'S REPORT (CONTD.)

statements of the subsidiaries and a joint venture, we report that the Holding Company and one subsidiary, incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to a joint venture incorporated in India whose financial statements have been audited under the Act, since such companies are not public companies as defined under section 2(71) of the Act.

20. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 16 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.
21. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of a subsidiaries and a joint venture incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, 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 purpose of our audit of the aforesaid consolidated financial statements;
  - b) Except for the matters stated in paragraph 21(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
  - c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

- e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries and a joint venture, covered under the Act, none of the directors of the Holding Company, its subsidiaries and a joint venture, are disqualified as on 31<sup>st</sup> March 2025 from being appointed as a director in terms of section 164(2) of the Act.
- f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 21(b) above on reporting under section 143(3)(b) of the Act and paragraph 21(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary and joint venture covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure II' wherein we have expressed an unmodified opinion; and
- 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 and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries and joint venture incorporated in India whose financial statements have been audited under the Act:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint venture as at 31<sup>st</sup> March 2025, as detailed in Note 40 to the consolidated financial statements;
  - ii. The Holding Company, its subsidiaries and joint venture did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31<sup>st</sup> March 2025;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiaries and joint venture covered under the Act, during the year ended 31<sup>st</sup> March 2025;

## INDEPENDENT AUDITOR'S REPORT (CONTD.)

- iv. a. The respective managements of the Holding Company and its subsidiaries and joint venture incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of their knowledge and belief, other than as disclosed in Note 57 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiaries and joint venture to or in any person(s) or entity(ies), including foreign entities ('the 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 any such subsidiaries and joint venture ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The respective managements of the Holding Company and its subsidiaries and joint venture incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries and joint venture respectively that, to the best of their knowledge and belief, as disclosed in the Note 56 (6) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiaries and joint venture from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiaries and joint venture shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries and joint venture, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. a) The final dividend paid by the Holding company during the year ended 31<sup>st</sup> March 2025 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- b) As stated in Note 37(ii) to the accompanying consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year ended 31<sup>st</sup> March 2025 which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- vi. As stated in Note 49 to the consolidated financial statements and based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and joint venture which are companies incorporated in India and audited under the Act, except for instances mentioned below, the Holding Company and its subsidiary and joint venture, in respect of financial year commencing on 1 April 2024, have used accounting software for maintaining their books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we and respective auditors of the above referred subsidiary and joint venture did not come across any instance of audit trail feature being tampered with, other than the consequential impact of the exceptions given below. Furthermore, except for instances mentioned below, the audit trail has been preserved by the Holding Company and its

**INDEPENDENT AUDITOR'S REPORT (CONTD.)**

subsidiary and joint venture as per the statutory requirements for record retention from the date the audit trail was enabled for the accounting software.

- a. The audit trail feature was not enabled at the database level for the accounting software to log any direct data changes and used for maintenance of all accounting records by the Holding Company.
- b. The audit trail feature was not enabled at the database level for the period 1<sup>st</sup> April 2024 to 7<sup>th</sup> August 2024 for certain tables of the accounting software to log any direct

data changes, used for maintenance of all accounting records by one subsidiary Company.

- c. The audit trail feature did not operate throughout the period for a subsidiary company, as the accounting software implementation was in process.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.:001076N/N500013

**Rohit Arora**

Partner

Membership No.: 504774

UDIN: 25504774BMIDMC4661

Place: Gurugram

Date: 19<sup>th</sup> May 2025



## ANNEXURE I

### LIST OF ENTITIES INCLUDED IN THE STATEMENT

#### (I) Subsidiaries/ Step down Subsidiaries:

1. Ethos Limited
2. Cognition Digital LLP
3. Ethos Lifestyle Private Limited (formerly known as RF Brands Private Limited)
4. Mahen Distribution Limited
5. Kamla International Holding SA
6. Pylania SA
7. Estima AG
8. Kamla Tesio and Dial Limited
9. Silvercity Brand AG
10. Favre Leuba GmbH

#### JOINT VENTURE:

1. Pasadena Retail Private Limited

## ANNEXURE II

### **INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ('THE ACT')**

1. In conjunction with our audit of the consolidated financial statements of KDDL Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its joint venture as at and for the year ended 31<sup>st</sup> March 2025, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries, which are companies covered under the Act, as at that date.

### **RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR INTERNAL FINANCIAL CONTROLS**

2. The Board of Directors of the Holding Company, its subsidiaries and joint venture which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) ("the Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS**

3. The audit of internal financial controls with reference to financial statements of a joint venture, which are companies covered under the Act, and reporting under Section 143(3) (i) is exempted vide MCA notification no. G.S.R. 583(E) dated 13 June 2017 read with corrigendum dated 14 July 2017. Consequently, our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiaries, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the

ICAI and prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, as aforesaid.

### **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS**

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

## ANNEXURE II (CONTD.)

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS**

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

**OPINION**

8. In our opinion, the Holding Company and its subsidiaries, which are companies covered under the Act, has in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31<sup>st</sup> March 2025, based on internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**OTHER MATTER**

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to 3 subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 30,119 lacs and net assets of ₹ 28,908 lacs as at 31<sup>st</sup> March 2025,

total revenues of ₹ 283 lacs and net cash inflows amounting to ₹ 9,821 lacs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit including other comprehensive income of ₹ 7 lacs for the year ended 31<sup>st</sup> March 2025, in respect of a joint venture company, which are companies covered under the Act, whose internal financial controls with reference to financial statements have not been audited by us. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies and joint venture company have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary companies and joint venture company, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies and joint venture company is based solely on the reports of the auditors of such companies.

Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.:001076N/N500013

**Rohit Arora**

Partner

Place: Gurugram

Date: 19<sup>th</sup> May 2025

Membership No.: 504774

UDIN: 25504774BMIDMC4661

# CONSOLIDATED BALANCE SHEET

AS AT 31<sup>ST</sup> MARCH 2025

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs except for share data)

	Note	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	26,975.55	19,659.59
Capital work-in-progress	3	4,680.21	4,163.97
Intangible assets	4	3,016.80	1,412.00
Intangible assets under development	4	127.48	512.48
Right-of-use assets	45	30,125.62	13,917.62
Investment properties	3(a)	177.71	-
Equity accounted investees	5	388.37	381.24
Financial assets			
- Investments	6	253.88	210.64
- Loans	7	236.46	140.11
- Other financial assets	8	2,968.44	3,289.99
Income tax asset (net)	9	584.11	503.50
Deferred tax assets (net)	10	1,861.88	1,824.13
Other non-current assets	11	1,800.92	690.94
<b>Total non-current assets</b>		<b>73,197.43</b>	<b>46,706.21</b>
<b>Current assets</b>			
Inventories	12	65,786.27	48,982.37
Financial assets			
- Trade receivables	13	8,818.81	7,063.44
- Cash and cash equivalents	14	19,474.15	23,897.06
- Other bank balances	15	32,215.91	29,079.87
- Loans	7	58.54	120.38
- Other financial assets	8	2,263.64	2,840.37
Other current assets	16	7,195.13	5,463.02
<b>Total current assets</b>		<b>1,35,812.45</b>	<b>1,17,446.51</b>
<b>Total assets</b>		<b>2,09,009.88</b>	<b>1,64,152.72</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	17	1,238.64	1,262.42
Other equity	18	90,261.62	72,133.10
<b>Equity attributable to owners of the Company</b>		<b>91,500.26</b>	<b>73,395.52</b>
Non-controlling interests	39	49,549.70	41,034.48
<b>Total equity</b>		<b>1,41,049.96</b>	<b>1,14,430.00</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
- Borrowings	19	7,287.32	4,425.71
- Lease liabilities	44	27,482.32	11,642.29
- Other financial liabilities	20	241.91	183.62
Provisions	21	288.30	249.50
Deferred tax liabilities (net)	10	9.75	505.71
<b>Total non-current liabilities</b>		<b>35,309.60</b>	<b>17,006.83</b>
<b>Current liabilities</b>			
Financial liabilities			
- Borrowings	19	5,597.12	6,026.20
- Lease liabilities	44	4,969.23	2,929.47
- Trade payables	22		
- total outstanding dues of micro enterprises and small enterprises		465.73	441.44
- total outstanding dues of creditors other than micro enterprises and small enterprises		11,008.63	11,962.63
- Other financial liabilities	20	4,850.17	4,898.69
Other current liabilities	23	3,847.04	4,643.95
Provisions	21	1,304.53	1,082.79
Current tax liabilities (net)	24	607.87	730.72
<b>Total current liabilities</b>		<b>32,650.32</b>	<b>32,715.89</b>
<b>Total liabilities</b>		<b>67,959.92</b>	<b>49,722.72</b>
<b>Total equity and liabilities</b>		<b>2,09,009.88</b>	<b>1,64,152.72</b>
Material accounting policy information	2		
Notes to the consolidated Ind AS financial statements	3-59		

The accompanying notes form an integral part of the consolidated Ind AS financial statements

As per our report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants

ICAI firm registration no.: 001076N/N500013

**Rohit Arora**

Partner

Membership No. 504774

Place: Gurugram

Date: 19<sup>th</sup> May 2025

For and on behalf of the Board of Directors of **KDDL Limited**

**Yashovardhan Saboo**

Chairman and Managing Director

DIN: 00012158

**Brahm Prakash Kumar**

Company Secretary

Membership no. FCS7519

Place: Chandigarh

Date: 19<sup>th</sup> May 2025

**Sanjeev Kumar Masown**

Whole time Director cum Chief Financial Officer

DIN: 03542390

# CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

Particulars	Note	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Revenue from operations	25	1,64,787.68	1,39,103.20
Other income	26	4,669.23	2,874.20
<b>Total income (I)</b>		<b>1,69,456.91</b>	<b>1,41,977.40</b>
<b>EXPENSES</b>			
Cost of raw materials consumed	27	10,700.83	9,643.15
Purchases of stock-in-trade	28	1,03,360.20	79,882.47
Changes in inventories of finished goods, work-in-progress, stock-in-trade and scrap	29	(16,516.76)	(10,166.79)
Employee benefits expenses	30	20,265.07	18,573.04
Finance costs	31	3,141.74	2,622.37
Depreciation and amortisation expense	32	8,611.43	6,492.73
Other expenses	33	20,951.40	16,381.43
<b>Total expenses (II)</b>		<b>1,50,513.91</b>	<b>1,23,428.40</b>
<b>Profit before share of equity accounted investees and income tax (III= I-II)</b>		<b>18,943.00</b>	<b>18,549.00</b>
Share of profit/(loss) of equity accounted investees (net of income tax, if any) (IV)	5	<b>7.13</b>	<b>74.09</b>
<b>Profit before income tax (V= III+IV)</b>		<b>18,950.13</b>	<b>18,623.09</b>
Income tax expense:	34		
- Current tax		5,272.75	4,884.63
- Current tax for earlier years		(10.56)	(36.32)
- Deferred tax charge / (credit)		(16.76)	9.65
- Deferred tax charge / (credit) for earlier years		(523.20)	19.95
<b>Total income tax expense (VI)</b>		<b>4,722.23</b>	<b>4,877.91</b>
<b>Profit for the year (VII = V- VI)</b>		<b>14,227.90</b>	<b>13,745.18</b>
<b>Other comprehensive income / (expense)</b>			
Items that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit (liability) / asset		(99.27)	(134.41)
Income tax on remeasurement of defined benefit (liability) / asset		24.98	33.98
Items that will be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		441.57	(51.72)
Income tax on exchange differences on translation of foreign operations		(111.08)	11.02
<b>Other comprehensive (expense) for the year (net of income tax)</b>		<b>256.20</b>	<b>(141.13)</b>
<b>Total comprehensive income for the year (net of income tax)</b>		<b>14,484.10</b>	<b>13,604.05</b>
<b>Profit attributable to:</b>			
Owners of the Company		9,460.86	10,267.91
Non-controlling interest		4,767.04	3,477.27
<b>Profit for the year</b>		<b>14,227.90</b>	<b>13,745.18</b>
<b>Other comprehensive income / (expense) attributable to:</b>			
Owners of the Company		247.12	(122.63)
Non-controlling interest		9.08	(18.50)
<b>Other comprehensive income / (expense) for the year</b>		<b>256.20</b>	<b>(141.13)</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		9,707.98	10,145.28
Non-controlling interest		4,776.12	3,458.77
<b>Total comprehensive income for the year</b>		<b>14,484.10</b>	<b>13,604.05</b>
Earnings per share [nominal value of share Rs. 10 (previous year Rs. 10)]			
Basic (Rs.)	35	76.26	81.90
Diluted (Rs.)		76.26	81.90
Material accounting policy information	2		
Notes to the consolidated Ind AS financial statements	3-59		

The accompanying notes form an integral part of the consolidated Ind AS financial statements

As per our report of even date

For **Walker Chandiok & Co LLP**

Chartered Accountants

ICAI firm registration no.: 001076N/N500013

**Rohit Arora**

Partner

Membership No. 504774

Place: Gurugram

Date: 19<sup>th</sup> May 2025

For and on behalf of the Board of Directors of **KDDL Limited**

**Yashovardhan Saboo**

Chairman and Managing Director

DIN: 00012158

**Brahm Prakash Kumar**

Company Secretary

Membership no. FCS7519

Place: Chandigarh

Date: 19<sup>th</sup> May 2025

**Sanjeev Kumar Masown**

Whole time Director cum Chief Financial Officer

DIN: 03542390

# CONSOLIDATED STATEMENT OF CHANGE IN EQUITY

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

## A. EQUITY SHARE CAPITAL

	Note	Number of shares	Amount
<b>Balance as at 01<sup>st</sup> April 2023</b>	<b>17</b>	<b>1,25,37,117</b>	<b>1,253.72</b>
Changes in equity share capital during the year		-	-
<b>Balance as at 31<sup>st</sup> March 2024</b>	<b>17</b>	<b>1,25,37,117</b>	<b>1,253.72</b>
Share capital bought back during the year		(2,37,837)	(23.78)
<b>Balance as at 31<sup>st</sup> March 2025</b>		<b>1,22,99,280</b>	<b>1,229.94</b>

## B. OTHER EQUITY

	Reserves and surplus						Adjustment in other equity	Total other equity attributable to owners of the Company	Attributable to Non-controlling interest	Total
	Capital reserve	Securities premium	General reserve	Employee stock options outstanding reserve	Retained earnings	Capital Redemption Reserve	Other comprehensive income			
<b>Balance as at 31<sup>st</sup> March 2023</b>	<b>368.20</b>	<b>34,150.78</b>	<b>2,776.20</b>	-	<b>10,233.61</b>	<b>19.99</b>	<b>(52.12)</b>	<b>(3,130.36)</b>	<b>24,586.12</b>	<b>68,952.44</b>
Total comprehensive income for the year ended 31 <sup>st</sup> March 2024	-	-	-	-	10,267.91	-	-	-	3,477.27	13,745.18
Profit for the year	-	-	-	-	(81.93)	-	(40.70)	-	(18.50)	(141.13)
Other comprehensive income for the year (net of income tax)	-	-	-	-	<b>10,185.98</b>	-	<b>(40.70)</b>	-	<b>3,458.77</b>	<b>13,604.05</b>
Proceeds from sale of shares of subsidiary (net of tax)	-	20,985.26	-	-	-	-	-	-	-	20,985.26
Issue of equity share for cash in subsidiary companies	-	7,472.59	-	-	-	-	(638.23)	-	10,892.12	17,726.48
Share issue expense	-	(570.52)	-	-	-	-	-	-	-	(570.52)
Expenses for buy back of equity shares (Net of tax)	-	-	-	-	(7.86)	-	-	-	-	(7.86)
Dividend	-	-	-	-	(7,522.27)	-	-	-	-	(7,522.27)
<b>Changes in ownership interests in subsidiaries that do not result in loss of control</b>	<b>27,887.33</b>	-	-	-	<b>(7,530.13)</b>	-	-	<b>(638.23)</b>	<b>10,892.12</b>	<b>30,611.09</b>
Acquisition of non-controlling interests*	-	-	-	-	-	-	-	(2,097.47)	2,097.47	-
<b>Total changes in ownership interests in subsidiaries</b>	<b>27,887.33</b>	-	-	-	-	-	-	<b>(2,097.47)</b>	<b>2,097.47</b>	-
<b>Balance as at 31<sup>st</sup> March 2024</b>	<b>368.20</b>	<b>62,038.11</b>	<b>2,776.20</b>	-	<b>12,889.45</b>	<b>19.99</b>	<b>(92.82)</b>	<b>(5,866.06)</b>	<b>41,034.48</b>	<b>1,13,167.58</b>
Total comprehensive income for the year ended 31 <sup>st</sup> March 2025	-	-	-	-	9,460.86	-	-	-	4,767.03	14,227.90
Profit for the year	-	-	-	-	(83.37)	-	330.49	-	9.08	256.20
Other comprehensive income for the year (net of income tax)	-	-	-	-	<b>9,377.49</b>	-	<b>330.49</b>	-	<b>4,776.12</b>	<b>14,484.10</b>
Proceeds from sale of shares of subsidiary (net of tax)	-	23,445.00	-	-	-	-	-	-	23,445.00	23,445.00
Issue of equity share for cash in subsidiary companies	-	(82.97)	-	-	-	-	-	191.74	-	191.74
Share issue expense	-	(8,776.19)	-	-	(23.78)	23.78	-	(8,776.19)	-	(8,776.19)
Buy back of equity shares	-	-	-	-	(71.95)	-	-	(71.95)	-	(71.95)
Expenses for buy back of equity shares (Net of tax)	-	-	-	-	(2,044.50)	-	-	(2,044.50)	-	(2,044.50)
Tax on buy back of equity shares	-	-	-	-	(501.48)	-	-	(501.48)	-	(501.48)
Dividend	-	<b>14,585.84</b>	-	-	<b>(2,641.71)</b>	<b>23.78</b>	-	<b>191.74</b>	<b>12,159.65</b>	<b>12,159.65</b>



---

---

---

---

---

---

---

2

---

---

---

---

---

2

---

---

---

---



## CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
<b>Cash flow from operating activities</b>		
<b>Profit before income tax</b>	18,950.13	18,623.09
<b>Adjustments for:</b>		
Depreciation and amortisation expenses	8,611.43	6,492.73
Property, plant and equipment written off	49.18	46.20
Loss / (Gain) on sale of property, plant and equipment (net)	54.51	(63.00)
Advances / deposits / bad debts written off	132.83	44.95
Loss on sale of investment property	-	80.40
Interest expense	3,095.18	2,614.43
Interest income	(3,759.90)	(2,013.38)
Dividend income	(0.35)	(0.35)
Share of (profit) of equity accounted investees (net of income tax, if any)	(7.13)	(74.09)
Liabilities / provision no longer required written back	(105.17)	(177.84)
Expected credit loss on trade receivables/Provision for doubtful debts written back	-	(0.52)
Profit on deletion of lease liability & Right to use assets	(112.28)	(9.18)
Unrealised foreign exchange (gain)/ loss	(129.85)	33.33
Change in fair value of derivative contracts	47.51	(94.24)
Net change in fair value of financial assets (at FVTPL)	(43.23)	(22.75)
Effect of exchange rates on translation of operating cash flows	441.57	(51.72)
<b>Operating cash flow before working capital changes</b>	<b>27,224.42</b>	<b>25,427.06</b>
<b>Changes in working capital:</b>		
(Increase) in loans	(34.51)	(77.94)
(Increase) in other financial assets	(342.95)	(1,285.32)
(Increase) in other current and non current assets	(1,763.82)	(961.47)
(Increase) in inventories	(16,803.90)	(10,884.54)
(Increase) in trade receivables	(1,888.20)	(843.73)
Increase / (Decrease) in provisions	161.27	(60.83)
(Decrease) in trade payables	(694.69)	(312.79)
(Decrease) / Increase in other financial liabilities	(51.21)	1,614.35
(Decrease) / Increase in other current liabilities	(798.40)	1,395.76
<b>Cash generated from operating activities</b>	<b>5,008.02</b>	<b>14,009.55</b>
Income tax (paid), net	(5,433.95)	(4,222.73)
<b>Net cash generated from / (used in ) operating activities (A)</b>	<b>(425.93)</b>	<b>9,786.82</b>
<b>Cash flow from investing activities</b>		
Acquisition of property, plant and equipment (including capital work-in-progress, intangible assets, Intangible assets under development, capital advances and capital creditors)	(13,970.49)	(8,357.42)
Proceeds from sale of property, plant and equipment	198.28	951.82
Proceeds from sale of shares of subsidiary (net of tax)	23,445.00	20,985.26
Investment in equity accounted investees	(0.00)	(100.00)
Payment towards purchase of investments	(0.00)	(25.74)
Fixed deposit placed / matured (net)	(2,484.90)	(8,253.32)
Interest received	3,730.61	1,350.51
Dividend received	0.35	0.35
<b>Net cash generated from investing activities (B)</b>	<b>10,918.85</b>	<b>6,552.45</b>
<b>Cash flow from financing activities</b>		
Proceeds from issue of equity share capital (including premium) in subsidiary	-	17,726.48
Share issue expense	(82.97)	(570.52)
Buy Back of equity Shares	(8,799.97)	-
Expense on buy back of equity shares (net of tax)	(71.95)	(7.86)
Tax paid on buy back of equity shares	(2,044.50)	-
Proceeds from non-current borrowings	4,253.02	1,227.85
Repayment of non-current borrowings	(1,448.46)	(1,899.61)

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Proceeds from/repayments of current borrowings (net)	(372.04)	(1,631.99)
Principal portion of lease payments	(2,716.37)	(3,120.48)
Interest portion of lease payments	(2,103.80)	(1,589.21)
Interest paid	(1,027.28)	(919.91)
Dividend paid on equity shares	(501.50)	(7,493.35)
<b>Net cash generated from / (used in) financing activities (C)</b>	<b>(14,915.82)</b>	<b>1,721.40</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(4,422.91)</b>	<b>18,060.28</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>23,897.06</b>	<b>5,836.58</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>19,474.15</b>	<b>23,896.86</b>
<b>Components of cash and cash equivalents:</b>		
Balances with banks		
- in current accounts	7,219.35	3,417.95
- in cash credit accounts	46.59	618.86
Deposits with original maturity of less than three months	11,526.48	6,362.00
Cheques, drafts on hand	23.71	12,901.00
Cash on hand	273.96	256.86
Mutual Fund receivables	100.67	-
Credit cards receivable	283.39	339.89
	<b>19,474.15</b>	<b>23,896.56</b>

2. The above cash flow statement has been prepared under the indirect method set out in the applicable Indian Accounting Standard (Ind AS) 7 on "Statement of Cash Flows". Also, refer to note 2(t).

3. Refer note to 19 for reconciliation of movements of liabilities to cash flows arising from financing activities.

Material accounting policy information 2

Notes to the consolidated Ind AS financial statements 3-59

The accompanying notes form an integral part of the consolidated Ind AS financial statements

As per our report of even date

For and on behalf of the Board of Directors of KDDL Limited

For **Walker Chandiok & Co LLP**

Chartered Accountants

ICAI firm registration no.: 001076N/N500013

**Yashovardhan Saboo**

Chairman and Managing Director

DIN: 00012158

**Sanjeev Kumar Masown**

Whole time Director cum Chief Financial Officer

DIN: 03542390

**Rohit Arora**

Partner

Membership No. 504774

Place: Gurugram

Date: 19<sup>th</sup> May 2025

**Brahm Prakash Kumar**

Company Secretary

Membership no. FCS7519

Place: Chandigarh

Date: 19<sup>th</sup> May 2025

# NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

### 1. CORPORATE INFORMATION

KDDL Limited ('the Company' or 'the Parent Company'), is a public limited company domiciled in India and was incorporated in January 1981 under the provisions of the Companies Act applicable in India. The Company is listed on BSE Limited and National Stock Exchange (NSE) of India Limited in India. The registered office of the Company is located at Plot No.3, Sector III, Parwanoo, Himachal Pradesh, India – 173220. The Corporate Identification Number (CIN) of the Company is L33302HP1981PLC008123.

These consolidated Ind AS financial statements comprise the Company and its subsidiaries (referred to collectively as the 'Group') and the Group's interest in a joint venture. The Group is primarily engaged in the business of manufacturing dials, watch hands and precision components and retail trading of premium and luxury watches, accessories and other luxury items and rendering of related after sale services. Currently, the Group has its manufacturing facilities, at Parwanoo (Himachal Pradesh) and Derabassi (Punjab) – dial manufacturing, Bengaluru (Karnataka) – hands, steel bracelets and precision components manufacturing and retail stores of watches across the country.

The consolidated Ind AS financial statements were approved for issue in accordance with a resolution of the directors on 19 May 2025.

### 2. MATERIAL ACCOUNTING POLICY INFORMATION

#### 2.1 Basis of preparation

The consolidated Ind AS financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Schedule III).

Accounting policies have been 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 consolidated Ind AS financial statements are presented in Rs. and all values are rounded to the nearest Lacs (Rs. 00,000), except when otherwise indicated.

The consolidated Ind AS financial statements provide comparative information in respect of the previous year.

#### Basis of measurement

The consolidated Ind AS financial statements have been prepared on historical cost basis, except for the following assets and liabilities which have been measured at fair value as required under relevant Ind AS.

- Certain financial assets and liabilities are measured at fair value (Refer accounting policy regarding financial instruments in Note p)

- Defined benefit plans- plan assets are measured at fair value

#### 2.2 Summary of Material accounting policy information

##### a. Current versus non-current classification

Based on the time involved between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

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

##### b. Basis of consolidation

The consolidated Ind AS financial statements comprises the financial statement of the Group, and the entities controlled by the Group including its subsidiaries as at 31<sup>st</sup> March 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

The consolidated Ind AS financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions

and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated Ind AS financial statements to ensure conformity with the Group's accounting policies.

The details of the consolidated entities are as follows:

S. No.	Name	Notes	Country of incorporation	31 <sup>st</sup> March 2025 Percentage of Ownership	31 <sup>st</sup> March 2024 Percentage of Ownership
1	Pylania SA	(a)	Switzerland	100.00%	100.00%
2	Kamla International Holdings SA		Switzerland	100.00%	100.00%
3	Ethos Limited*	(b)	India	50.12%	53.83%
4	Mahen Distribution Limited		India	100.00%	100.00%
5	Cognition Digital LLP**	(c)	India	99.99%	99.99%
6	Kamla Tesio Dials Limited		India	100.00%	100.00%
7	Estima AG	(d)	Switzerland	100.00%	100.00%
8	Pasadena Retail Private Limited	(e)	India	50.00%	50.00%
9	Silvercity Brands AG	(f)	Switzerland	92.63%	93.83%
10	Favre Leuba GmbH***	(g)	Switzerland	92.63%	93.83%
11	Ethos Lifestyle Private Limited (Formerly RF Brands Private Limited) ****	(h)	India	50.12%	53.83%

Notes:

(a) Includes Nil (31<sup>st</sup> March 2024: 62.25%) held through Kamla International Holdings SA

(b) Includes 3.09% (31<sup>st</sup> March 2024: 6.80%) held through Mahen Distribution Limited

(c) Includes 99.99% (31<sup>st</sup> March 2024: 99.99%) held through Ethos Limited.

(d) Includes 100.00% (31<sup>st</sup> March 2024: 100.00%) held through Kamla International Holdings SA and Pylania SA

(e) Includes 50% (31<sup>st</sup> March 2024: 50%) held through Ethos Limited.

(f) Includes 70.51% (31<sup>st</sup> March 2024: 66.70%) held through Ethos Limited and Mahen Distribution Limited.

(g) Includes 92.63% (31<sup>st</sup> March 2024: 93.83%) held through Silvercity Brands AG.

(h) Includes 50.12% (31<sup>st</sup> March 2024: 53.83%) held through Ethos Limited.

\* During the year ended 31<sup>st</sup> March 2025, a subsidiary Company, Mahen Distribution Limited has sold 9,09,894 equity shares in open market of Ethos Limited. Post aforesaid sale, the consolidated shareholding of the Parent Company (directly and indirectly through its subsidiary, Mahen Distribution Limited) in Ethos Limited as at 31<sup>st</sup> March 2025 is 50.12%.

\*\* The percentage of holding denotes the share of profits in LLP.

\*\*\* Subsidiary incorporated during the previous year under Silvercity Brands AG.

\*\*\*\* Subsidiary incorporated during the previous year under Ethos Limited.

### Consolidation procedure

#### (i) Business Combinations

Business combinations are accounted for using the acquisition accounting method as at the date of the acquisition, which is the date at which control is transferred to the Group. The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary

skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs. The consideration transferred in the acquisition and the identifiable assets acquired and liabilities assumed are recognised at fair values on their acquisition date. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. The Group recognises any non-controlling interest in the acquired

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are recognised in the Statement of Profit and Loss. Transaction costs are expensed as incurred, other than those incurred in relation to the issue of debt or equity securities. Any contingent consideration payable is measured at fair value at the acquisition date. Subsequent changes in the fair value of contingent consideration are recognised in the Statement of Profit and Loss.

**(ii) Subsidiaries**

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated Ind AS financial statements from the date on which control commences until the date on which control ceases.

**(iii) Non-controlling interests (NCI)**

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Non-controlling interests in the net assets (excluding goodwill) of consolidated subsidiaries are identified separately from the Group's equity. NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if it results in the non-controlling interest having a deficit balance.

**(iv) Loss of control**

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in Statement of Profit and Loss.

**(v) Equity accounted investees**

The Group's interests in equity accounted investees comprise interests in its joint venture.

A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint venture are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated Ind AS financial statements include the Group's share of profit or loss and OCI of equity-accounted investees until the date on which significant influence or joint control ceases.

**(vi) Transactions eliminated on consolidation**

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

**(vii) Foreign currency transactions**

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in Statement of Profit and Loss.

**(viii) Foreign operations**

The assets and liabilities of foreign operations (subsidiaries, associates, joint arrangements, branches) including goodwill and fair value adjustments arising on acquisition, are translated into Indian Rupees, the

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Indian Rupees at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Such exchange differences are recognised in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation), except to the extent that the exchange differences are allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in an associate or a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

### c. Property, plant and equipment ('PPE')

#### Recognition and measurement

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment loss, if any.

Cost of an item of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have

different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Capital work-in-progress is stated at cost, net of accumulated impairment loss, if any. Property, plant and equipment are stated at cost of acquisition or construction which includes capitalised finance costs less accumulated depreciation and accumulated impairment loss, if any.

#### Recognition criteria

The cost of an item of property, plant and equipment is recognised as an asset if and only if,

- It is probable that future economic benefits associated with the item will flow to the entity, and
- The cost of the item can be measured reliably.

Capital work-in-progress comprises the cost of Property, plant and equipment that are not ready for their intended use at the reporting date net of accumulated impairment loss, if any. Advances paid towards acquisition of PPE outstanding at each Balance sheet date, are shown under other non-current assets.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

#### Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised.

#### Depreciation

Depreciation is calculated on cost of items of PPE less their estimated residual values over their estimated useful lives using the straight-line method and is recognised in the Statement of Profit and Loss.

Depreciation on items of PPE of the Group's Indian entities is provided as per rates corresponding to the useful life specified in Schedule II to the Companies Act, 2013 read with related amendments. The estimated useful lives of items of property, plant and equipment for the current and comparative period are as follows:

Particulars	Useful life as per Schedule II	Management estimate of useful life
Buildings – factory	30 Years	30 Years
Roads	10 Years	10 Years
Plant and equipment*	15 Years	3- 15 Years
Furniture and fittings**	10 Years	3- 10 Years
Office equipment	5 Years	5 Years
Computers	3 Years	3 Years
Vehicles***	8 Years	5- 8 Years



## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

Depreciation on improvements carried out on buildings taken on lease is provided over the period of the lease or useful life of assets, whichever is lower. Refer lease policy under section (p) of leases.

\* The Parent Company, based on technical assessment made by technical expert and management estimate, depreciates tools included in plant and equipment over estimated useful lives of 3 and 15 years which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

\*\* In one of the subsidiary company, furniture & fixture being in the nature of display furniture at stores are being depreciated over the estimated life of three years from the date of capitalisation on the basis of internal evaluation by the management basis which the management believes that this useful life best represents the period over which these asset will be used.

\*\*\*The Parent Company based on new car policy which includes vehicle with option of sale to employee in Vehicles over estimated useful lives of 5 and 8 years which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

In case of one of the subsidiary company, on an item of property, plant and equipment discarded during the year, accelerated depreciation is provided upto the date on which such item of property, plant and equipment is discarded.

Depreciation on the property, plant and equipment of the Group's foreign subsidiary Pylania SA has been provided on straight-line method based on the estimated useful life of assets using the rates stated as follows:

Particulars	Rate
Buildings – Factory	1.5% to 8.5%
Plant and machinery	10% to 15%
Office equipment	8.5% to 15%
Motor vehicles	48%

Depreciation on the property, plant and equipment of the Group's foreign subsidiary Estima AG has been provided on straight-line method based on the estimated useful life of assets using the rates stated as follows:

Particulars	Rate
Buildings – Factory	3.33%
Plant and machinery	6.67%
Furniture	10.00%
Office equipment	10.00%

Particulars	Rate
Motor vehicles	33.33%
Tools	33.33%

The depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions (disposal) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

### *Derecognition*

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

### **d. Intangible assets**

#### **Acquired Intangible**

Intangible assets that are acquired by the Group are measured initially at cost. Cost of an item of Intangible asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

#### **Amortisation**

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation expense in Statement of Profit and Loss.

The estimated useful lives are as follows:

- Technical know-how      4 Years
- Software                      6 Years
- Brand                              20 Years

Amortisation method, useful life and residual values are reviewed at the end of each financial year and adjusted if appropriate.



## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

### Derecognition

Intangible assets is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Any gain or loss arising upon 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.

Intangible asset under development that are acquired by the Group comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use.

### Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset

The ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. During the period of development, the asset is tested for impairment annually.

### e. Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Group depreciates investment property over 20 years from the date of original purchase.

Though the Group measures investment properties using cost-based measurement, the fair value of investment properties are disclosed in the notes.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. Transfers are made to (or from) investment properties only when there is a change in use.

Transfers between investment property and owner-occupied property do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

### f. Inventories

Inventories are valued at the lower of cost and net realisable value.

The methods of determining cost of various categories of inventories are as follows:

Raw materials	Weighted average method
Traded Goods	Weighted average method
Stores and spares	Weighted average method
Work-in-progress and finished goods (manufactured)	Variable cost at weighted average including an appropriate share of variable and fixed production overheads. Fixed production overheads are included based on normal capacity of production facilities.
Scrap	Net realisable value

The cost of inventories includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

### g. Retirement and other employee benefits

#### Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., salaries and wages, and bonus etc., if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

#### Post-employment benefits

#### Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and will have no legal or constructive obligation to pay further amounts. The Group makes specified monthly contributions towards employee provident fund and employee state insurance scheme ('ESI') to Government administered scheme which is a defined contribution plan. The Group's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service. Certain employees of the Parent Company are also participants in the superannuation plan ("the Plan"), a defined contribution plan. The Group makes contributions to Life Insurance Corporation of India (LIC). Contribution made by the Group to the plan during the year is charged to Statement of Profit and Loss. The social security costs, paid for the overseas employees by the Parent Company and paid by the overseas subsidiary, are in the nature of defined contribution schemes as per the laws of that country.

#### Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity is a defined benefit plan. The administration of the gratuity scheme has been entrusted to the Life Insurance Corporation of India ('LIC'). The Group's net obligation in respect of gratuity is calculated separately by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements of the net defined benefit liability i.e. Gratuity, which comprise actuarial gains and losses are recognised in Other Comprehensive Income (OCI). Remeasurements are not reclassified to profit or loss in subsequent periods. The Group determines the net interest expense (income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then- net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit or Loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

#### Compensated absences

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. Such obligation such as those related to compensate absences is measured on the basis of an annual independent actuarial valuation using the projected unit cost credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise. The Group presents the leave liability as a current liability in the balance sheet; to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Group has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

### h. Provisions

A provision is recognised if, as a result of a past event, the Group 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. If the time of money is material, provisions are determined by discounting the expected future cash flows (representing the best estimate of the

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future losses are not provided for.

### i. Contingent liabilities and contingent assets

A contingent liability exists when there is a possible but not probable obligation, or a present obligation that may, but probably will not, require an outflow of resources, or a present obligation whose amount cannot be estimated reliably. Contingent liabilities do not warrant provisions, but are disclosed unless the possibility of outflow of resources is remote.

Contingent assets usually arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are recognised when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

A contingent asset is disclosed where an inflow of economic benefits is probable.

### j. Commitments

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each reporting date.

### k. Revenue from contract with customer

Revenue from contracts with customers is recognised when the control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangement because it typically controls goods or services before transferring them to the customers.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts if any. Also, in determining the transaction price for the sale of products, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

The Group disaggregates revenue from contracts with customers by geography.

### Sale of services

The Group offers services in fixed term contracts and short term arrangement. Revenue from service is recognised when obligation is performed or services are rendered.

The Group earns revenue primarily from manufacturing of watches dials, watch hands and precision components, retail trading of premium and luxury watches, accessories and other luxury items and rendering related after sale services.

### Right of return assets

A right-of-return asset is recognised for the right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods and any potential decreases in value. The Group updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

### Refund liabilities

A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from the customer. The Group's refund liabilities arise from customers' right of return. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

### Customer loyalty programmes

For customer loyalty programmes, the fair value of the consideration received or receivable in respect of initial sale is allocated between the award credits and the other components of the sale. The amount allocated to award credits is deferred and is recognised as revenue when the award credits are redeemed and the Group has fulfilled its obligations to supply the discounted products under the terms of the programme or when it is no longer probable that the award credits will be redeemed.

### Export benefits

Export incentive entitlements are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

### Contract balances

#### Trade Receivable

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section of Financial instruments – initial recognition and subsequent measurement.

#### Contract liabilities

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

### i. Recognition of interest income or expense

Interest income or expense is accrued on a time basis and recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

### m. Borrowing costs

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred by the Group in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as a part of cost of the asset. Other borrowing costs are recognised as an expense in the period in which they

are incurred. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### n. Taxes

Income tax comprises current and deferred tax. It is recognised in Profit or Loss except to the extent that it relates to a business combination or an item recognised directly in equity or in other comprehensive income.

#### Current income tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current income tax assets and liabilities are measured at the amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income (OCI) or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI 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 considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

#### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

Deferred tax liabilities are recognised for all 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,

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

affects neither the accounting profit nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences 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 and does not give rise to equal taxable and deductible temporary differences and, 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.

In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the consolidated Ind AS financial statements and in other management reports.

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 profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable

right to set off current tax liabilities and assets and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authorities.

Sales/value added taxes/GST paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes/GST paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

### o. Leases

#### Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Asset	Estimated useful life of Asset
Plant and equipment	3- 5 Years
Building	1- 10 Years
Leasehold land	99 Years
Stores	2 – 10 Years
Furniture	4 – 10 Years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (r) Impairment of non-financial assets.

### Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

### Short term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of assets (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

### p. Financial instruments

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.

#### Financial assets

##### Initial recognition and measurement

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 asset. 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 Group commits to purchase or sell the asset.

##### Subsequent measurement

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

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVOCI)

##### Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.



## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset or the amortised cost of the financial liability. 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 other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

### Debt instrument at FVOCI

A 'debt instrument' is classified as at the FVOCI if the objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and the asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss. Interest earned whilst holding FVOCI debt instrument is reported as interest income using the EIR method.

### Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL. In addition, at initial recognition, the Group may irrevocably elect to designate a debt instrument, which otherwise meets amortised cost or FVOCI criteria, as at FVTPL. However, such adoption is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Profit and Loss.

### Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an

irrevocable adoption to present in other comprehensive income subsequent changes in the fair value. The Group makes such adoption on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the profit or loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss to retained earnings.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Profit and Loss.

### Impairment of financial assets

The Group recognises loss allowances for expected credit loss on financial assets measured at amortised cost. At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have detrimental impact on the estimated future cash flows of the financial assets have occurred.

Evidence that the financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- the breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial re-organisation; or
- the disappearance of active market for a security because of financial difficulties.

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- Bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected



**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information.

**Measurement of expected credit losses**

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. difference between the cash flow due to the Group in accordance with the contract and the cash flow that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowance for financial assets measured at the amortised cost is deducted from the gross carrying amount of the assets.

**Write-off**

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtors do not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedure for recovery of amounts due.

**Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group 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 Group has retained.

**Financial liabilities****Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

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

**Subsequent measurement**

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss (FVPL)

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

- Financial liabilities at amortised cost (loans and borrowings)

A financial liability is classified as at FVPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVPL are measured at fair value and net gains and losses, including any interest expense, are recognised in Statement of Profit and Loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in Statement of Profit and Loss. Any gain or loss on derecognition is also recognised in Statement of Profit and Loss.

### Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. 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 and Loss.

### Derivative financial instruments

The Group uses various types of derivative financial instruments to hedge its currency and interest risk etc. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

### Offsetting

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

### q. Impairment of non-financial assets

The Group's non-financial assets other than inventories and deferred tax assets, are reviewed at each reporting date to determine if there is indication of any impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate

independent cash flows are grouped together into cash generating units (CGUs). Each CGU represents the smallest Group of assets that generate cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and fair value less cost to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current assessments of the time value of money and the risks specific to the CGU (or the asset).

The Group's corporate assets (e.g., central office building for providing support to CGU) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in Statement of Profit and Loss. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortisation, if no impairment loss had been recognised.

### r. Operating Segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

### s. Cash and cash equivalents

Cash and cash equivalents in the balance sheet include cash at banks and on hand, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and 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

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

### t. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

### u. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

### v. Cash dividend

The Parent Company recognises a liability to pay dividend to equity holders of the Parent Company when the distribution is authorised and the distribution is no longer at the discretion of the Parent Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

### w. Earnings per share

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings/ (loss) per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### x. Foreign currencies

The consolidated Ind AS financial statements are presented in Rs., which is also the Parent Company's functional currency. Functional currency is the currency of the primary economic environment in which the

Group operates and is normally the currency in which the Group primarily generates and expends cash.

### Transactions and balances

#### Initial recognition

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. The standalone financial statements are presented in Rs.. Functional currency is the currency of the primary economic environment in which the Company operates and is normally the currency in which the Company primarily generates and expends cash.

#### Measurement at the reporting date

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit and loss with the exception of the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognised in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., consolidated financial statements when the foreign operation is a subsidiary), such exchange differences are recognised initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Exchange differences arising on monetary items that are designated as part of the hedge of the Group's net investment of a foreign operation. These are recognised in OCI until the net investment is disposed of, at which time, the cumulative amount is reclassified to profit or loss.

Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

a foreign currency are translated at the exchange rate at the date of the initial transaction. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

### y. Measurement of Fair value

A number of the Group's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to measurement of fair values. This includes the top management division which is responsible for overseeing all significant fair value measurements, including Level 3 fair values. The top management division regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the top management division assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirement of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the changes have occurred.

Further information about the assumptions made in measuring fair values used in preparing these

consolidated Ind AS financial statements is included in the respective notes.

## 2.3 Changes in accounting policies and disclosures

### New and amended standards

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. MCA has notified amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable w.e.f. 01<sup>st</sup> April 2024 and Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, and is effective from 01<sup>st</sup> April 2025, with the notification dated 08<sup>th</sup> May 2025. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any impact in its financial statements.

## 2.4 Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### a) Determining the lease term of contracts with renewal and termination options – Group as lessee

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Leases – Estimating the incremental borrowing rate: The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

### b) Defined benefit plans

The present value of the gratuity is 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 and mortality rates. 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 for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases, and gratuity increases are based on expected future inflation rates for the respective countries.

### c) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the wide range of business relationships and the long term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

### d) Useful life of Property, plant and equipment and intangibles

The management estimates the useful life and residual value of property, plant and equipment and other intangible assets. These assumptions are reviewed at each reporting date.

### e) Contingencies

Refer note 40 for Recognition and measurement of provision and contingencies, key assumptions about the likelihood and magnitude of an outflow of resources.

### f) Impairment of financial assets

Refer note 2.2(q) for the policy to estimate the impairment of financial assets.

### g) 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. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Company.

Refer note 2.2(r) for the policy to estimate the impairment of non-financial assets.

### h) Leases – Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

they need to be adjusted to reflect the terms and conditions of the lease (for example, when leases are not in the subsidiary's functional currency). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

### i) **Provision for slow and obsolete inventory**

Ethos Limited, a subsidiary of the Parent Company is in business of retail trading of premium and luxury watches, accessories and other luxury items and rendering of related after sale services and consists of inventory of watches at various stores of the subsidiary company. The subsidiary company on a periodic basis and at each reporting date assess the inventory age listing to identify slow-moving allowance and obsolete inventories and then estimates the amount of inventory provision. In doing so, it estimates the net reliable value of aged inventory based on current selling price of such/similar aged inventory and likely sales volume

based discount offered and past sales trend. Also, the subsidiary company reviews catalogues of various brands to verify whether all inventory items are appearing in them.

### 2.5 **Climate – related matters**

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Group due to both physical and transition risks. Even though the Group believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the consolidated financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Group is closely monitoring relevant changes and developments, such as new climate-related legislation. The items and considerations that are most directly impacted by climate-related matters are Useful life of property, plant and equipment and Impairment of non-financial assets.



**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

**3 PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS**

**Gross carrying amount**

	Freehold land	Leasehold land	Buildings	Leasehold improvements	Plant and equipment	Furniture and fittings	Office equipment*	Vehicles	Total	Capital work in progress
<b>Balance as at 1<sup>st</sup> April 2023</b>	<b>716.20</b>	-	<b>6,137.02</b>	<b>3,449.91</b>	<b>11,457.81</b>	<b>3,552.79</b>	<b>1,094.94</b>	<b>1,725.47</b>	<b>28,134.15</b>	<b>1,341.64</b>
Additions (Refer to note (d) below)	-	-	146.93	1,021.76	810.84	1,122.90	309.45	1,222.15	4,634.03	4,479.62
Disposals/Capitalisation during the year	-	-	-	(109.78)	(110.76)	(22.24)	(52.13)	(1,198.65)	(1,493.56)	(1,657.29)*
Exchange differences on translation	15.63	-	37.36	-	40.30	7.72	2.53	0.86	104.40	-
<b>Balance as at 31<sup>st</sup> March 2024</b>	<b>731.84</b>	-	<b>6,321.31</b>	<b>4,361.89</b>	<b>12,198.19</b>	<b>4,661.17</b>	<b>1,354.79</b>	<b>1,749.83</b>	<b>31,379.02</b>	<b>4,163.97</b>
Additions (Refer to note (d) below)	-	-	212.56	2,395.04	3,779.62	2,437.73	776.30	1,296.76	10,898.01	9,832.41
Disposals/Capitalisation during the year	-	-	-	(485.19)	(108.08)	(219.07)	(119.74)	(437.79)	(1,369.87)	(9,317.80)*
Exchange differences on translation	35.64	-	86.10	-	94.51	21.56	6.02	1.97	245.80	1.63
<b>Balance as at 31<sup>st</sup> March 2025</b>	<b>767.48</b>	-	<b>6,619.97</b>	<b>6,271.74</b>	<b>15,964.24</b>	<b>6,901.39</b>	<b>2,017.37</b>	<b>2,610.77</b>	<b>41,152.96</b>	<b>4,680.21</b>
<b>Accumulated depreciation</b>										
<b>Balance as at 1<sup>st</sup> April 2023</b>	-	-	<b>849.61</b>	<b>1,518.45</b>	<b>5,059.98</b>	<b>1,122.72</b>	<b>560.48</b>	<b>280.54</b>	<b>9,391.78</b>	-
Depreciation for the year	-	-	216.44	672.69	839.90	473.60	251.78	254.54	2,708.95	-
Disposals	-	-	-	(109.78)	(67.54)	(19.26)	(23.49)	(181.99)	(402.06)	-
Exchange differences on translation	-	-	3.09	-	14.74	1.65	0.71	0.61	20.80	-
<b>Balance as at 31<sup>st</sup> March 2024</b>	-	-	<b>1,069.14</b>	<b>2,081.36</b>	<b>5,847.08</b>	<b>1,578.71</b>	<b>789.48</b>	<b>353.70</b>	<b>11,719.43</b>	-
Depreciation for the year	-	-	222.51	816.19	974.81	683.00	334.31	292.00	3,322.82	-
Disposals	-	-	-	(484.67)	(88.14)	(185.58)	(71.32)	(110.68)	(940.39)	-
Exchange differences on translation	-	-	13.20	-	47.58	8.78	4.27	1.69	75.52	-
<b>Balance as at 31<sup>st</sup> March 2025</b>	-	-	<b>1,304.85</b>	<b>2,412.88</b>	<b>6,781.33</b>	<b>2,084.91</b>	<b>1,056.74</b>	<b>536.71</b>	<b>14,177.41</b>	-
<b>Carrying amount (net)</b>										
<b>At 31<sup>st</sup> March 2024</b>	<b>731.84</b>	-	<b>5,252.17</b>	<b>2,280.53</b>	<b>6,351.11</b>	<b>3,082.46</b>	<b>565.31</b>	<b>1,396.13</b>	<b>19,659.59</b>	<b>4,163.97</b>
<b>At 31<sup>st</sup> March 2025</b>	<b>767.48</b>	-	<b>5,315.12</b>	<b>3,858.86</b>	<b>9,182.90</b>	<b>4,816.48</b>	<b>960.63</b>	<b>2,074.06</b>	<b>26,975.55</b>	<b>4,680.21</b>

Notes:

- Refer to note 19 for information on property, plant and equipment are pledged as security by the group.
- Refer to note 41(ii) for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- The title deeds of the immovable properties are held in the name of the Company.
- The Group has capitalized the following expenses/(income) to the cost of property, plant and equipment/capital work-in-progress (CWIP) during the trial run / construction period. Consequently, expenses and income disclosed under the respective notes are net of amounts capitalized by the group.



## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

CIN: L33302HP1981PLC008123

(All amounts are in Indian Rupees Lacs, except for share data)

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Raw Materials Consumed	384.92	180.05
Salaries and wages	1,012.88	363.59
Contributions to provident and other funds	83.88	49.71
Staff welfare expenses	63.08	42.23
Stores and spares consumed	153.18	91.79
Power, fuel and water charges	75.92	40.84
Contractual labour expenses	175.94	76.05
Insurance	5.61	4.86
Rent	588.34	280.19
Rates and Taxes	27.83	29.23
Repair and Maintenance- Building	7.46	6.04
Repair and Maintenance- Others	149.74	51.88
Legal and professional fees	145.83	98.06
Travelling and conveyance	119.43	87.97
Bank charges	7.60	6.25
Printing and stationery	8.40	5.33
Communication expenses	10.93	6.67
Security service charges	38.63	21.11
Interest on lease liability	686.82	-
Depreciation on ROU	768.70	-
Miscellaneous Expenses	37.13	23.16
	<b>4,552.25</b>	<b>1,465.03</b>
Less : Sales made during the year	(727.08)	(21.64)
Expenses capitalized by the Group	<b>3,825.17</b>	<b>1,443.40</b>

# Represents capital work in progress capitalized during the current year and previous year.

\*Including block of computers.

### Capital work in progress (CWIP) Ageing Schedule

As at 31 <sup>st</sup> March 2025	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	4,561.48	21.68	-	7.58	4,590.74
Material purchased for inhouse development of tools	51.40	13.78	4.28	20.01	89.47
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>4,612.88</b>	<b>35.46</b>	<b>4.28</b>	<b>27.59</b>	<b>4,680.21</b>

As at 31 <sup>st</sup> March 2024	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	3,372.71	685.76	-	10.98	4,069.45
Material purchased for inhouse development of tools	59.04	10.92	4.93	19.63	94.52
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>3,431.75</b>	<b>696.68</b>	<b>4.93</b>	<b>30.61</b>	<b>4,163.97</b>

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

**3 (A) INVESTMENT PROPERTIES**

**Cost**

	<b>Building</b>	<b>Total</b>
<b>Opening balance at 1<sup>st</sup> April 2023</b>	<b>586.74</b>	<b>586.74</b>
Additions	-	-
Exchange differences on translation	-	-
Balance transfer from Property, plant and equipment	-	-
Disposal	(586.74)	<b>(586.74)</b>
<b>Closing balance at 31<sup>st</sup> March 2024</b>	<b>-</b>	<b>-</b>
Additions	190.40	<b>190.40</b>
Exchange differences on translation	-	-
Balance transfer from Property, plant and equipment	-	-
Disposals	-	-
<b>Closing balance at 31<sup>st</sup> March 2025</b>	<b>190.40</b>	<b>190.40</b>

**Depreciation and impairment**

	<b>Building</b>	<b>Total</b>
<b>Opening balance at 1<sup>st</sup> April 2023</b>	<b>373.38</b>	<b>373.38</b>
Exchange differences on translation	0.00	<b>0.00</b>
Depreciation for the year	3.74	<b>3.74</b>
Disposals	(377.12)	<b>(377.12)</b>
<b>Closing balance at 31<sup>st</sup> March 2024</b>	<b>-</b>	<b>-</b>
Exchange differences on translation	0.00	<b>0.00</b>
Depreciation for the year	25.41	<b>25.41</b>
Disposals	(12.72)	<b>(12.72)</b>
<b>Closing balance at 31<sup>st</sup> March 2025</b>	<b>12.69</b>	<b>12.69</b>

**Carrying amount (net)**

<b>At 31<sup>st</sup> March 2024</b>	-	-
<b>At 31<sup>st</sup> March 2025</b>	<b>177.71</b>	<b>177.71</b>

Note:

- (a) The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

**4 INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT**

**Gross carrying amount**

	<b>Technical know-how</b>	<b>Softwares</b>	<b>Brands</b>	<b>Total</b>	<b>Intangible Assets under development*</b>
<b>Balance as at 1<sup>st</sup> April 2023</b>	<b>73.83</b>	<b>223.84</b>	-	<b>297.67</b>	-
Additions	-	71.01	1,360.52	1,431.53	581.71
Disposals	-	-	-	-	(69.23)
<b>Balance as at 31<sup>st</sup> March 2024</b>	<b>73.83</b>	<b>294.85</b>	<b>1,360.52</b>	<b>1,729.20</b>	<b>512.48</b>
Additions	-	366.87	1,421.31	1,788.18	1,509.39
Disposals	-	(96.18)	-	(96.18)	(1,894.39)
<b>Balance as at 31<sup>st</sup> March 2025</b>	<b>73.83</b>	<b>565.54</b>	<b>2,781.83</b>	<b>3,421.20</b>	<b>127.48</b>

**Accumulated amortisation**

	<b>Technical know-how</b>	<b>Softwares</b>	<b>Brands</b>	<b>Total</b>	<b>Intangible Assets under development*</b>
<b>Balance as at 1<sup>st</sup> April 2023</b>	<b>52.34</b>	<b>181.13</b>	-	<b>233.47</b>	-
Amortisation for the year	9.38	15.79	58.57	83.74	-
Disposals	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March 2024</b>	<b>61.72</b>	<b>196.92</b>	<b>58.57</b>	<b>317.20</b>	-

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

	Technical know-how	Softwares	Brands	Total	Intangible Assets under development*
Amortisation for the year	6.92	66.65	108.99	182.56	-
Disposals	-	(95.37)	-	(95.37)	-
<b>Balance as at 31<sup>st</sup> March 2025</b>	<b>68.64</b>	<b>168.20</b>	<b>167.56</b>	<b>404.40</b>	<b>-</b>

### Carrying amount (net)

<b>At 31<sup>st</sup> March 2024</b>	<b>12.11</b>	<b>97.93</b>	<b>1,301.96</b>	<b>1,412.00</b>	<b>512.48</b>
<b>At 31<sup>st</sup> March 2025</b>	<b>5.19</b>	<b>397.34</b>	<b>2,614.27</b>	<b>3,016.80</b>	<b>127.48</b>

### Intangible assets under development (IAUD) Ageing Schedule

As at 31 <sup>st</sup> March 2025	Amount in IAUD for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	127.48	-	-	-	127.48
<b>Total</b>	<b>127.48</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>127.48</b>

As at 31 <sup>st</sup> March 2024	Amount in IAUD for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Projects in progress	512.48	-	-	-	512.48
<b>Total</b>	<b>512.48</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>512.48</b>

## 5 EQUITY ACCOUNTED INVESTEEES

		As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Non-current investments</b>			
<i>Unquoted investments (fully paid up)</i>			
<b>Investment in equity shares (at cost)</b>			
of Joint venture:			
- Pasadena Retail Private Limited, 27,50,000 (31 <sup>st</sup> March 2024: 27,50,000) equity shares of Rs. 10 each fully paid up		388.37	381.24
		<b>388.37</b>	<b>381.24</b>
	Note	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Interest in joint venture	(a)	388.37	381.24
		<b>388.37</b>	<b>381.24</b>

(a) The following table summarizes the financial information and the carrying amount of the Group's interest in joint venture:

Name of joint venture	Principal activity	Principal place of business	Percentage ownership interest	
			As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Pasadena Retail Private Limited</b>	Trading of luxury watches	India	<b>50%</b>	<b>50%</b>
Current assets [including cash and cash equivalents of Rs. 25.57 (31 <sup>st</sup> March 2024: Rs. 252.56)]			1,236.37	902.89
Non-current assets [including deferred tax assets of Rs.27.51 (31 <sup>st</sup> March 2024: Rs.3.89)]			874.21	706.97
Current liabilities [including current tax liabilities of Rs.Nil (31 <sup>st</sup> March 2024: Rs.7.37)]			747.17	276.65
Non-current liabilities			586.67	570.76
<b>Net assets</b>			<b>776.74</b>	<b>762.46</b>
Group's share of net assets (50%)			388.37	381.24
<b>Carrying amount of the Company's interest in joint venture</b>			<b>388.37</b>	<b>381.24</b>

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS**  
**AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Revenue from operations	1,309.92	1,283.94
Other income	4.87	15.10
Purchases of stock-in-trade	(1,399.07)	(1,010.37)
Changes in inventories of stock-in-trade	463.12	120.35
Depreciation and amortisation expense	(163.58)	(90.80)
Finance costs	(74.92)	(15.47)
Other expenses	(120.94)	(102.15)
<b>Profit before tax for the year</b>	<b>19.40</b>	<b>200.58</b>
Tax expenses		
- Current income tax (charge)	(28.77)	(47.45)
- Deferred tax credit / (charge)	23.62	(4.97)
Other comprehensive income	-	-
<b>Total comprehensive income</b>	<b>14.25</b>	<b>148.17</b>
Group's share of profit (50%)	7.13	74.09
Group's share of other comprehensive income (50%)	-	-
<b>Group's share of total comprehensive income</b>	<b>7.13</b>	<b>74.09</b>

**6 INVESTMENTS**

	Note	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Non-current investments			
Unquoted investments (fully paid up)			
Other Companies (Fair value through Profit or Loss):			
- Karolview Developers Private Limited 5,00,000 (31 <sup>st</sup> March 2024: 5,00,000) equity shares of Rs.10 each fully paid up		43.54	43.55
- Shivalik Waste Management Limited 17,500 (31 <sup>st</sup> March 2024: 17,500) equity shares of Rs. 10 each fully paid up		7.15	6.43
- Haute-Rive Watches SA 8,19,672 (31 <sup>st</sup> March 2024: 8,19,672) equity shares of CHF 0.01 each fully paid up	(a)	177.45	134.92
- Czapek & Cie SA 100 (31 <sup>st</sup> March 2024: 100) equity shares of CHF 280 each fully paid up	(b)	25.74	25.74
		<b>253.88</b>	<b>210.64</b>
Aggregate amount of unquoted investments		253.88	210.64

- (a) During the year ended 31<sup>st</sup> March 2024, a Subsidiary company Ethos Limited had acquired 6.25% of equity shares, in Switzerland based Company HAUTE-RIVE WATCHES SA, a new specialized watch making brand having registered office at Chemin des Virettes 11, Corcelles, NE for the consideration of CHF 1,25,000 (equivalent to Rs. 112.76). The Subsidiary company had received the letter for allotment of equity shares on 28<sup>th</sup> April 2023.
- (b) During the year ended 31<sup>st</sup> March 2024, a subsidiary Company Silvercity Brands AG had acquired 100 Shares with nominal value of CHF 1 (out of total 1,80,000 nominal shares) in CZAPEK & Cie SA (CZAPEK & Cie LTD), rue de la Corraterie 18, 1204 Genève on 13<sup>th</sup> July 2023. The Company is in the business of production and sale of luxury watches and jewellery products. Purchase consideration of 100 shares was paid @ CHF 280 per share with the total value paid is CHF 28,000.

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

**7 LOANS\* (AT AMORTISED COST)**

(Unsecured and considered good)

	Non-Current		Current	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Loan to employees				
- to related parties (refer to note 42)	142.43	73.21	17.90	21.47
- to others	94.03	66.90	40.64	98.91
	<b>236.46</b>	<b>140.11</b>	<b>58.54</b>	<b>120.38</b>

\*The Group's exposure to credit and currency risk, and loss allowances related to other non current financial assets are disclosed in note 36.

**8 OTHER FINANCIAL ASSETS**

(Unsecured and considered good)

(Carried at amortised cost unless otherwise stated)

	Non-Current		Current	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Deposit accounts with original maturity more than 3 months and maturing after 12 months from the reporting date*	170.21	822.20	-	-
Derivatives financial instruments (Fair value through Profit or Loss)	-	-	42.49	90.00
Interest accrued but not due on deposits**	0.37	2.35	691.05	872.75
Recoverable from related parties (refer to note 42)	-	-	34.63	35.54
Recoverable from / balance with government authorities	-	-	496.64	529.17
Right to return assets	-	-	1.77	21.31
Security deposits	2,797.86	2,465.44	996.34	802.38
Recoverable from others#	-	-	5.72	486.99
Interest receivable from related parties	-	-	-	2.23
Less: Allowance for bad and doubtful advances recoverable				
- Security Deposit	-	-	(5.00)	-
	<b>2,968.44</b>	<b>3,289.99</b>	<b>2,263.64</b>	<b>2,840.37</b>

\*These deposits include restricted bank deposits amounting to Rs. Nil (31<sup>st</sup> March 2024 : Rs. 821.99) on account of deposits pledged as security for bank guarantees.

\*\*Includes interest on unutilised proceeds from Initial Public Offer (IPO) received amounting to Rs. 1.34 (31<sup>st</sup> March 2024: Rs. 2.50) which have been temporarily invested in deposits with scheduled banks. Refer note no. 54.

And also includes interest on unutilised proceeds from Qualified institutional placement (QIP) received amounting to Rs.245.20 (31<sup>st</sup> March 2024: Rs. 458.22) which have been temporarily invested in deposits with scheduled banks and kept in current account with scheduled bank and monitoring agency bank account. Refer note 47(a).

# Includes consideration receivable for sale of vehicle.

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS**  
**AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
 (All amounts are in Indian Rupees Lacs, except for share data)

**9 INCOME TAX ASSET (NET)**

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Advance income-tax (net of provision)	584.11	503.50
	<b>584.11</b>	<b>503.50</b>

**10 DEFERRED TAX ASSETS / (LIABILITIES) (NET)**

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Deferred tax assets on</b>		
- Expected credit loss allowance	31.72	5.33
- Provision for employee benefits	381.03	334.25
- Impairment in Value of investments	492.66	-
- Provision- other expense	85.59	34.85
- Intercompany profit elimination	863.38	919.79
- Lease liabilities	7,824.71	3,598.01
- Exchange Differences on translation of foreign operations	10.58	11.02
- Others <sup>#</sup>	18.09	9.17
<b>Deferred tax assets (A)</b>	<b>9,707.76</b>	<b>4,912.42</b>
<b>Deferred tax liabilities on</b>		
- Excess depreciation as per Income Tax Act, 1961 over depreciation as per books (net)	502.32	451.02
- Income taxable on receipt basis under Income tax Act	7.27	7.27
- Gain on investments carried at fair value through profit and loss	16.28	5.58
- MTM gain on foreign exchange contracts	14.07	22.65
- Right of use assets	7,228.73	3,090.52
- Gain on investments accounted for using equity method	86.96	16.96
<b>Deferred tax liability (B)</b>	<b>7,855.63</b>	<b>3,594.00</b>
<b>Net deferred tax assets / (liabilities) (A - B)</b>	<b>1,852.13</b>	<b>1,318.42</b>
Aggregate of net deferred tax assets jurisdictions	1,861.88	1,824.13
Aggregate of net deferred tax liabilities jurisdictions	(9.75)	(505.71)
<b>Net deferred tax assets / (liabilities)</b>	<b>1,852.13</b>	<b>1,318.42</b>

<sup>#</sup> Include primarily deposits amortisation and interest income thereon as per Ind AS 109.

<b>2023-2024</b>	As at 1 <sup>st</sup> April 2023	Recognised in profit or loss during the year	Recognised in other comprehensive income	As at 31 <sup>st</sup> March 2024
- Excess depreciation as per Income Tax Act, 1961 over depreciation as per books	(441.29)	(9.73)	-	(451.02)
- Income taxable on receipt basis under Income tax Act	(7.27)	-	-	(7.27)
- Gain on investments carried at fair value through profit and loss	-	(5.58)	-	(5.58)
- MTM Gain on foreign exchange contracts	1.07	(23.72)	-	(22.65)
- Expected credit allowance	5.46	(0.13)	-	5.33
- Intercompany profit elimination	919.80	(0.01)	-	919.79
- Provision for employee benefits	421.55	(91.01)	3.71	334.25
- Provision- other expense	38.57	(3.72)	-	34.85
- Lease liabilities	2,907.37	690.64	-	3,598.01
- Right of use assets	(2,517.51)	(573.01)	-	(3,090.52)

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

2023-2024	As at 1 <sup>st</sup> April 2023	Recognised in profit or loss during the year	Recognised in other comprehensive income	As at 31 <sup>st</sup> March 2024
- Exchange Differences on translation of foreign operations	-	-	11.02	11.02
- Gain on investments accounted for using equity method	-	(16.96)	-	(16.96)
- Others <sup>#</sup>	5.54	3.63	-	9.17
	<b>1,333.29</b>	<b>(29.60)</b>	<b>14.73</b>	<b>1,318.42</b>

<sup>#</sup> Include primarily deposits amortisation and interest income thereon as per Ind AS 109.

2024-2025	As at 1 <sup>st</sup> April 2024	Recognised in profit or loss during the year	Recognised in other comprehensive income	As at 31 <sup>st</sup> March 2025
- Excess depreciation as per Income Tax Act, 1961 over depreciation as per books	(451.02)	(51.30)	-	(502.32)
- Income taxable on receipt basis under Income tax Act	(7.27)	-	-	(7.27)
- Gain on investments carried at fair value through profit and loss	(5.58)	(10.70)	-	(16.28)
- MTM Gain on foreign exchange contracts	(22.65)	8.58	-	(14.07)
- Expected credit allowance	5.33	26.39	-	31.72
- Intercompany profit elimination	919.79	(56.41)	-	863.38
- Provision for employee benefits	334.25	42.08	4.70	381.03
- Impairment in Value of investments	-	492.66	-	492.66
- Provision- other expense	34.85	50.74	-	85.59
- Lease liabilities	3,598.01	4,226.70	-	7,824.71
- Right of use assets	(3,090.52)	(4,138.21)	-	(7,228.73)
- Exchange Differences on translation of foreign operations	11.02	(0.44)	-	10.58
- Gain on investments accounted for using equity method	(16.96)	(70.00)	-	(86.96)
- Others <sup>#</sup>	9.17	8.92	-	18.09
	<b>1,318.42</b>	<b>529.01</b>	<b>4.70</b>	<b>1,852.13</b>

<sup>#</sup> Include primarily deposits amortisation and interest income thereon as per Ind AS 109.

### 11 OTHER NON-CURRENT ASSETS

(Unsecured and considered good)

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Capital advances	1,671.68	593.41
Prepaid expenses	79.76	41.96
Recoverable from / balance with government authorities	49.48	55.57
	<b>1,800.92</b>	<b>690.94</b>

### 12 INVENTORIES\*\*

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Raw materials*#	3,148.85	3,005.32
Work-in-progress	1,657.80	1,255.13
Finished goods	364.46	107.63
Stock in trade*^	59,971.33	44,031.76
Stores and spares	643.83	571.82
Scrap	-	10.71
	<b>65,786.27</b>	<b>48,982.37</b>



**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS**  
**AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
 (All amounts are in Indian Rupees Lacs, except for share data)

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
*Includes goods-in-transit:		
- Raw materials	-	141.87
- Stock in trade	97.66	97.66
#Provision for inventory		
- Raw materials	79.85	86.46
^The write down of inventories as at year end amounted to:		
- Stock in trade	135.21	132.44

\*\* Refer to Note 19 for information on inventory that are pledged as security by the Company.

The cost of inventories for one of the subsidiary Company is based on the specific identification, and includes expenditure incurred in acquiring the inventories less duties and taxes those are recoverable from government authorities, and other costs incurred in bringing them to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item-by-item basis.

During the current year, it has been decided to change the method of valuation of inventory from weighted average cost method to specific identification with effect from 1<sup>st</sup> June 2024 . Accordingly, all the purchases made post 1<sup>st</sup> June 2024 has been valued on item-by-item basis. As per the assessment change is not having material impact on the financial statement of subsidiary Company.

### 13 TRADE RECEIVABLES #

(Unsecured, considered good, unless otherwise stated)

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Trade receivables from related parties (refer to note 42)	102.00	94.79
Trade receivables from others	8,736.20	6,985.33
Less : Allowance for expected credit loss	(19.39)	(16.68)
	<b>8,818.81</b>	<b>7,063.44</b>
<b>Break-up of security details</b>		
Trade receivable considered good- Unsecured	8,818.81	7,063.44
Trade receivable- credit impaired	1.00	1.00
Trade Receivables which have significant increase in Credit Risk	18.39	15.68
	<b>8,838.20</b>	<b>7,080.12</b>
Impairment Allowance (allowance for doubtful debts)	(19.39)	(16.68)
Less : Allowance for expected credit loss	<b>8,818.81</b>	<b>7,063.44</b>

Trade receivables are non-interest bearing and generally on terms of 0 to 120 days.

#### Trade receivables ageing schedule

As at 31 <sup>st</sup> March 2025	Outstanding for following periods from due date of transactions					Total
	< 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	> 3 years	
Undisputed Trade Receivable- considered good	8,776.97	29.74	0.70	10.29	1.11	8,818.81
Undisputed Trade Receivable- which have significant increase in credit risk	18.39	-	-	-	-	18.39
Undisputed Trade Receivable- credit impaired	-	-	-	-	1.00	1.00
Disputed Trade Receivable- which have significant increase in credit risk*	-	-	-	-	-	-
<b>Total</b>	<b>8,795.36</b>	<b>29.74</b>	<b>0.70</b>	<b>10.29</b>	<b>2.11</b>	<b>8,838.20</b>

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

As at 31 <sup>st</sup> March 2024	Outstanding for following periods from due date of transactions					
	< 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	> 3 years	Total
Undisputed Trade Receivable- considered good	6,863.38	188.34	10.61	-	1.11	7,063.44
Undisputed Trade Receivable- which have significant increase in credit risk	15.68	-	-	-	-	15.68
Undisputed Trade Receivable- credit impaired	-	-	-	1.00	-	1.00
Disputed Trade Receivable- which have significant increase in credit risk*	-	-	-	-	-	-
<b>Total</b>	<b>6,879.06</b>	<b>188.34</b>	<b>10.61</b>	<b>1.00</b>	<b>1.11</b>	<b>7,080.12</b>

# The group's exposure to credit and currency risk and loss allowances related to trade receivable are disclosed in Note 36 (B).

#### 14 CASH AND CASH EQUIVALENTS

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Balances with banks	7,219.35	3,417.95
- in current accounts*	46.59	619.86
- in cash credit accounts	23.71	-
Cheques, drafts on hand	273.96	256.86
Cash on hand		
Others	11,526.48	19,262.50
- Fixed Deposits with original maturity of less than 3 months**	100.67	-
- Mutual Funds	283.39	339.89
- Credit cards receivable	<b>19,474.15</b>	<b>23,897.06</b>

There are no other repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting period and prior period.

\*Balance as on 31<sup>st</sup> March 2025 includes Rs. 79.72 (31<sup>st</sup> March 2024: Rs.59.84) balance of unutilised Initial Public Offer (IPO) proceed with monitoring agency bank account. Refer note no. 54.

Balance as on 31<sup>st</sup> March 2025 includes Rs. 3.67 (31<sup>st</sup> March 2024: Rs.0.64) balance of unutilised Qualified Institutional Placement (QIP) proceed with monitoring agency bank account. Refer note 47(a).

\*\*Fixed deposits include balance of Initial Public Offer (IPO) proceeds of Rs. 900.00 (31<sup>st</sup> March 2024: Rs. 2,603.00) which will be utilised as stated in the prospectus for IPO. Net unutilised proceeds from IPO as on 31<sup>st</sup> March 2025 have been temporarily invested in deposits with scheduled bank. Refer note no. 54.

#### 15 OTHER BANK BALANCES

	Note	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Deposit accounts with original maturity more than 3 months and maturing within 12 months from the reporting date	(a)	32,161.60	29,024.71
Balance in unclaimed dividend accounts		54.31	55.16
		<b>32,215.91</b>	<b>29,079.87</b>

Note:

- (a) Deposits include restricted bank deposits amounting to Rs. 2,992.51 (31<sup>st</sup> March 2024: Rs. 1,568.49) on account of deposits pledged as security for deposits from shareholders, bank guarantee and margin money. Also, fixed deposits includes balance of qualified institutional placement (QIP) proceeds of Rs. 8,500 which will be utilised as stated in the preliminary placement document for QIP. Net unutilised proceeds from QIP as on 31<sup>st</sup> March 2025 have been temporarily invested in deposits with scheduled bank. Refer note no. 47(a).

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS**  
**AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
 (All amounts are in Indian Rupees Lacs, except for share data)

**16 OTHER CURRENT ASSETS**

(Unsecured and considered good)

		As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Recoverable from / balance with government authorities		3,996.86	3,512.72
Duty Credit Scrips		4.57	23.57
Advances for supply of goods and services (refer to note 42 for related party disclosure)	2,359.85	1,304.53	
Advances for supply of goods and services- Credit impaired	4.49	4.49	
	<b>2364.34</b>	<b>1309.02</b>	
Less: Impairment Allowance for advance of supply of goods and services- credit impaired	(4.49)	(4.49)	1,304.53
Advances to employees (refer to note 42 for related party disclosure)		235.33	197.07
Advances to related parties		40.81	4.22
Other advances#		55.19	84.21
Deposit under protest		83.29	52.53
Prepaid expenses		419.23	268.66
Prespent CSR expenditure (Refer to note 33)		-	15.51
		<b>7,195.13</b>	<b>5,463.02</b>

# mainly includes amount recoverable from insurance company.

**17 EQUITY SHARE CAPITAL**

**(i) Details of share capital**

	As at 31 <sup>st</sup> March 2025		As at 31 <sup>st</sup> March 2024	
	Number of shares	Amount	Number of shares	Amount
<b>Authorized</b>				
Equity shares of Rs. 10 each.	2,80,00,000	2,800.00	2,80,00,000	2,800.00
	<b>2,80,00,000</b>	<b>2,800.00</b>	<b>2,80,00,000</b>	<b>2,800.00</b>
<b>Issued</b>				
Equity shares of Rs. 10 each	1,27,11,397	1,271.14	1,27,11,397	1,271.14
	<b>1,27,11,397</b>	<b>1,271.14</b>	<b>1,27,11,397</b>	<b>1,271.14</b>
<b>Subscribed and paid up capital</b>				
Equity shares of Rs. 10 each fully paid up	1,22,99,280	1,229.93	1,25,37,117	1,253.71
Forfeited equity shares of Rs.10 each	1,74,280	8.71	1,74,280	8.71
	<b>1,24,73,560</b>	<b>1,238.64</b>	<b>1,27,11,397</b>	<b>1,262.42</b>

**(ii) Rights, preferences and restrictions attached to shares**

The Parent Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Parent Company's residual assets on winding up. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Parent Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Parent Company, the holders of equity shares will be entitled to receive the residual assets of the Parent Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

### (iii) Reconciliation of the shares outstanding at beginning and at the end of the year

Particulars	As at 31 <sup>st</sup> March 2025		As at 31 <sup>st</sup> March 2024	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	1,25,37,117	1,253.71	1,25,37,117	1,253.71
Add: shares issued during the year	-	-	-	-
Less: Shares extinguished on buy back during the year (Refer to note 50)	2,37,837	23.78	-	-
<b>Balance at the end of the year</b>	<b>1,22,99,280</b>	<b>1,229.93</b>	<b>1,25,37,117</b>	<b>1,253.71</b>

### (iv) Details of Equity shares held by shareholders holding more than 5% of the aggregate equity shares in the Company:

	As at 31 <sup>st</sup> March 2025		As at 31 <sup>st</sup> March 2024	
	Number of shares	% of equity shares held	Number of shares	% of equity shares held
Yashovardhan Saboo	22,02,173	17.90%	22,14,664	17.66%
Rajendra Kumar Saboo (RKS JS Family Trust)	13,92,098	11.32%	14,16,683	11.30%
Pranav Shankar Saboo	-	0.00%	8,16,632	6.51%
Anuradha Saboo	12,61,368	10.26%	4,66,438	3.72%

### (v) Equity shares of Rs. 10 each fully paid up held by

Promotors Shareholdings		As at 31 <sup>st</sup> March 2025			As at 31 <sup>st</sup> March 2024		
S. No.	Promoter's Name	Number of shares	% of total shares	% change during the year	Number of shares	% of total shares	% change during the year
1	Rajendra Kumar Saboo (HUF)	-	0.00%	(0.62%)	77,820	0.62%	0.00%
2	Yashovardhan Saboo (HUF)	-	0.00%	0.00%	-	0.00%	(0.44%)
3	Rajendra Kumar Saboo	1,564	0.01%	0.00%	1,591	0.01%	0.00%
4	Yashovardhan Saboo	22,02,173	17.90%	0.24%	22,14,664	17.66%	0.02%
5	Usha Devi Saboo	99	0.00%	0.00%	100	0.00%	0.00%
6	Anuradha Saboo	12,61,368	10.26%	6.54%	4,66,438	3.72%	0.14%
7	Asha Devi Saboo [Veena Kanoria Family Trust]	-	0.00%	0.00%	-	0.00%	(0.09%)
8	Satvika Saboo	1,65,979	1.35%	0.00%	1,68,909	1.35%	0.14%
9	Pranav Shankar Saboo	-	0.00%	(6.51%)	8,16,632	6.51%	0.14%
10	Vardhan Properties and Investment Private Limited	37,518	0.31%	0.00%	38,153	0.30%	0.02%
11	Dream Digital Technology Private Limited	28,925	0.24%	0.00%	29,415	0.23%	0.00%
12	Saboo Ventures LLP	64,817	0.53%	0.00%	65,915	0.53%	0.10%
13	Usha Devi Saboo (UDS JS Family Trust)	1,66,853	1.36%	0.00%	1,69,800	1.35%	0.00%
14	Rajendra Kumar Saboo (RKS JS Family Trust)	13,92,098	11.32%	0.02%	14,16,683	11.30%	0.00%
15	Swades Capital LLC	3,24,150	2.64%	0.05%	3,24,150	2.59%	0.00%
16	Rajendra Kumar Saboo (ASP Saboo Family Trust)	5,05,001	4.11%	0.08%	5,05,001	4.03%	0.00%
17	Jai Vardhan Saboo	25,940	0.21%	0.21%	-	0.00%	0.00%
18	Veena Kanoria	25,941	0.21%	0.21%	-	0.00%	0.00%
		<b>62,02,426</b>	<b>50.43%</b>		<b>62,95,271</b>	<b>50.20%</b>	

### (vi) Bonus shares, shares buyback and issue of shares for consideration other than cash (during five years immediately preceding 31<sup>st</sup> March 2025)

During the five years immediately preceding 31<sup>st</sup> March 2025, no bonus shares have been issued. During the year, the Parent Company bought back 2,37,837 equity shares for an aggregate amount of Rs. 8,799.97 being 1.90% of the total paid up equity share capital at average price of Rs. 3,700 per equity share. The equity shares bought back were extinguished on 23<sup>rd</sup> September 2024. Also during the year ended 31<sup>st</sup> March 2023, the Parent Company bought back 1,99,947 equity shares for an aggregate amount of Rs. 2,099.99 being 1.57% of the total paid up equity share capital at average price of Rs. 1,050 per equity share, bought back for these equity shares were extinguished on 14<sup>th</sup> February 2023.

Further, no shares have been issued for consideration other than cash except during the year ended 31<sup>st</sup> March 2020, 16,500 equity shares of Rs. 10 each was issued under employee stock option plans for which only exercise price had been received in cash.

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

**18 OTHER EQUITY**

(also refer to Statement of Changes in Equity)

**Nature and purpose of reserves**

**(i) Capital reserve**

Reserve created under the scheme of arrangement and Business combination. This will be utilised in accordance with the provisions of Companies Act, 2013.

**(ii) Securities premium**

Securities premium represents the excess consideration received by the Company over the face value of the shares issued to shareholders. This will be utilized in accordance with the applicable provisions of the Companies Act, 2013.

**(iii) General reserve**

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, however, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

**(iv) Retained earnings**

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Remeasurements of defined benefit obligation comprises actuarial gains and losses and return on plan assets (excluding interest income).

**(v) Capital Redemption Reserve**

The Parent Company has bought back 2,37,837 equity shares during the year. Accordingly, Section 69 of Companies Act, 2013 require to create capital redemption reserve equal to nominal value of shares bought back where the company purchases its own shares out of free reserves or security premium account. Therefore, the Company has transferred the amount equal to nominal value to capital redemption reserve out of its free reserves. Also the Parent Company had bought back 1,99,947 equity shares during the year ended 31<sup>st</sup> March 2023.

**(vi) Exchange differences on translation of foreign operations**

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

**19 BORROWINGS**

	Note	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>(i) Non-current borrowings</b>			
Term-loans			
From banks (secured)	(a)	738.08	832.80
From others (secured)	(b)	4,175.39	1,877.53
		<b>4,913.47</b>	<b>2,710.33</b>
Deposits from shareholders/directors			
Related parties (unsecured) (refer to note 42)			
- From Directors	(c)	128.62	751.63
- From Others	(c)	916.04	641.89
From others (unsecured)	(c)	3,105.79	2,601.02
		<b>4,150.45</b>	<b>3,994.54</b>
Other loans			
From others (unsecured)	(d)	448.38	450.55
		<b>448.38</b>	<b>450.55</b>
<b>Total non-current borrowings (including current maturities)</b>		<b>9,512.30</b>	<b>7,155.42</b>
Less : Current maturities of non-current borrowings (refer to note 19(i))		2,224.98	2,729.71
		<b>7,287.32</b>	<b>4,425.71</b>

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

- (a) Vehicle loans from banks amounting to Rs. 229.01 (31<sup>st</sup> March 2024: Rs. 308.09) carrying interest rate in the range of 6.90% to 9.50% (previous year 6.90% to 9.50%) per annum are secured against hypothecation of specific vehicle purchased out of the proceeds of those loans. The loans are to be repaid with in a period of 1 - 4 years as per the respective repayment schedule in equal monthly installments.

Vehicle loans from banks amounting to Rs. Nil (31<sup>st</sup> March 2024: Rs. 20.13) are secured against hypothecation of the specified vehicle purchased from proceeds of the said loan. The rate of interest on vehicle loans is Nil (previous year 7.10% to 9.25%).

Term loan from Credit Suisse taken by subsidiary, Estima AG amounting to Rs. 509.07 (31<sup>st</sup> March 2024: Rs. 504.58) carrying 5% interest rate is secured against mortgage of property. The loan is to be repaid in 108 quarterly installments of Rs. 4.76 each.

- (b) Term loan from Bajaj Finance Limited amounting to Rs. Nil (31<sup>st</sup> March 2024: Rs. 222.07) carrying interest rate as 9.35% (previous year 9.35%) is secured by way of first pari passu charge over movable fixed assets of the Parent Company (except for specific vehicles pledged against respective loans). Also, it is secured by way of extension of charge over leasehold Land & building and Plant & machinery constructed at Bengaluru (Plot No. 55-A, Aerospace Sector) Hitech, Aerospace and Defence Park, Devanahalli, Bengaluru on pari passu. The loan was to be repaid in 18 instalments of Rs. 55.55 as per the repayment schedule in equal quarterly installments commencing from 05 September 2021. The Last instalment was repaid on 05 March 2025.

Term loan from Bajaj Finance Limited amounting to Rs. Nil (31<sup>st</sup> March 2024: Rs. 187.27) carrying interest rate as 9.35% (previous year 9.35%) is secured by way of second pari passu charge over leasehold Land & building and Plant & machinery constructed at Bengaluru (Plot No. 55-A, Aerospace Sector) Hitech, Aerospace and Defence Park, Devanahalli, Bengaluru. The loan was to be repaid in 48 instalments as per the repayment schedule commencing from 05 April 2022 with one year of moratorium from the drawdown. The last instalment was repaid on 05 March 2025.

Term loan from Bajaj Finance Limited amounting to Rs. 660.64 (31<sup>st</sup> March 2024: Rs. 961.00) carrying interest rate of 9.25% (previous year 9.30%) is secured by way of extension of charge on exclusive basis over leasehold Land & building and plant & machinery at Bengaluru (Plot No. 55-A, Aerospace Sector) Hitech, Aerospace and Defence Park, Devanahalli, Bengaluru. The loan is to be repaid in 48 instalments as per the repayment schedule commencing from 05 January 2023 with one year of moratorium from the drawdown. The last instalment would be paid on 05 February 2027.

Term loan from Bajaj Finance Limited amounting to Rs. 3,000.00 (31<sup>st</sup> March 2024: Rs. Nil) carrying interest rate of 8.90% (previous year Nil) is secured by way of extension of charge on exclusive basis over leasehold Land & building and Plant & machinery at Bengaluru (Plot No. 55-A, Aerospace Sector) Hitech, Aerospace and Defence Park, Devanahalli, Bengaluru. The loan is to be repaid in 72 instalments as per the repayment schedule commencing from 05 March 2025. The last instalment would be paid on 05 February 2031.

Vehicle loans from Toyota Financial Services India Limited amounting to Rs. 9.47 (31<sup>st</sup> March 2024: Rs. 22.31) carrying interest rate in range of 7.43% (previous year 7.43%) per annum is secured against hypothecation of specific vehicle purchased out of the proceeds of the loan. The loan is to be repaid with in a period of 1 year as per the repayment schedule in equal monthly installments.

Term loan from RC Tritec taken by subsidiary Estima AG, amounting to Rs. 389.96 (31<sup>st</sup> March 2024 : Rs. 369.78) carrying interest rate of 5.00% is secured by hypothecation of machinery and equipment of the plant. The loan is also personally guaranteed by the Chairman and Chief Executive Officer (CEO) of the Group. The loan shall be repaid at the expiry of term of 4 years on March 31, 2026.

Secured Loan from independent sources taken by subsidiary Pylania SA, amounting to Rs. 97.49 (31<sup>st</sup> March 2024: Rs. 92.45) carrying interest rate of 5.00% is secured by hypothecation of machinery and equipment of the plant.

Vehicle loan from others amounting to Rs. 17.83 (31<sup>st</sup> March 2024: 22.65 ) is secured against hypothecation of the specified vehicle purchased from proceeds of the said loan. The rate of interest on vehicle loan is 8.88% per annum (previous year 8.88%). The above loan is repayable in monthly instalments within a period of next one to four years as per repayment schedule.

- (c) Deposits from shareholders and directors amounting to Rs. 3,972.26 (31<sup>st</sup> March 2024: Rs. 3,367.47 ) carrying interest rates in the range of 9.00% to 10.25% (previous year 9.00% to 11.25%) per annum are repayable in 1 years to 3 years from the respective dates of deposit.

Deposits from shareholders taken by subsidiary Ethos Limited, amounting to Rs. 178.19 (31<sup>st</sup> March 2024: Rs. 627.07) carrying interest rates in the range of Nil (previous year 10.25% to 10.75%) per annum and carry a maturity period from 6 to 12 months from the respective date of deposits.

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS**  
**AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
 (All amounts are in Indian Rupees Lacs, except for share data)

- (d) Unsecured bridged loan from Government loan taken by subsidiary Estima AG, amounting to Rs. 64.05 (31<sup>st</sup> March 2024 : Rs. 86.23). The loan is to be repaid after expiry of 5 years i.e. 31<sup>st</sup> March 2025. The loan is interest free.

Unsecured loan from Phillip Losser taken by subsidiary Estima AG, amounting to Rs. 384.33 (31<sup>st</sup> March 2024 : Rs. 364.32) carries nil interest rate.

	Note	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>(ii) Current borrowings</b>			
Loans repayable on demand			
From banks (secured)	(a)	1,783.26	1,833.00
Liability against bill discounted facility			
From bank (secured)	(b)	994.46	261.15
Deposits from shareholders / directors			
Related parties (unsecured) (refer to note 42)			
- From Directors	(c)	362.30	297.16
- From Others	(c)	167.46	315.60
From others (unsecured)	(c)	64.66	589.58
Current maturities of non-current borrowings [refer note to 19(i)]		2,224.98	2,729.71
		<b>5,597.12</b>	<b>6,026.20</b>

Notes:

- (a) Working capital borrowings from banks amounting to Rs. 127.57 (31<sup>st</sup> March 2024: Rs. 237.55) carrying interest rate varying from 8.50% to 9.75% (previous year 8.60% to 11.85%) per annum are secured by hypothecation of stocks of stores and spares, raw materials and components, finished goods and stock-in-process and book debts and other current assets of the Holding Company (both present and future), on pari passu basis and are further secured by a second charge on the entire movable fixed assets of the Holding Company and immovable property situated at Haibatpur Road, Saddomajra, Derabassi, Mohali, Punjab (no first charge created on this property).

The cash credit and overdraft facilities taken by subsidiary company, Estima AG amounting to Rs. 166.91 (31<sup>st</sup> March 2024: Rs. 183.71) from Credit suisse bank are repayable on demand and are secured by first pari passu charge by way of hypothecation on entire current assets of the subsidiary company. The rate of interest as on 31<sup>st</sup> March 2025 is 5.00% (previous year 5.00%) per annum.

Loan from SBI Bank taken by subsidiary Pylania SA, amounting to Rs. 1,488.78 (31<sup>st</sup> March 2024 : Rs. 1,411.74) carrying interest rate in the range of 2.25% to 2.95% (previous year 2.25% to 2.95%) per annum is secured by standby letter of credit provided by holding company.

- (b) Liability against utilisation of bill discounting facility from bank amounting to Rs. 994.46 (31<sup>st</sup> March 2024: Rs. 261.15) carrying interest rate of 8.20% to 8.28% (previous year 8.10% to 8.25%) per annum is hypothecation of stocks of stores and spares, raw materials and components, finished goods and stock-in-process and book debts and other assets of the Parent Company (both present and future), on pari passu basis and are further secured by a second charge on the entire movable fixed assets of the Holding Company and immovable property situated at Haibatpur Road, Saddomajra, Derabassi, Mohali, Punjab (no first charge created on this property).
- (c) Deposits from shareholders / directors taken by the Holding Company amounting to Rs. 594.42 (31<sup>st</sup> March 2024: Rs. 1,202.34) carry interest rates in the range of 8.00% to 9.00% (previous year 8.00% to 9.00%) per annum and are repayable within 1 year from the respective dates of deposit.

The Group's Indian entities have filed quarterly statements of current assets with the banks in agreement with the books of accounts.

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
<b>(iii) Reconciliation of movements of liabilities to cash flows arising from financing activities</b>		
<b>Balance as at the beginning of the year (including current and non-current borrowings)*</b>	<b>10,451.91</b>	<b>12,755.15</b>
Proceeds from non-current borrowings*	4,253.02	1,227.85



**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Repayment of non-current borrowings*	(1,448.46)	(1,899.61)
Repayments of / proceeds from current borrowings (net)	(372.03)	(1,631.48)
<b>Balance as at the end of the year (including current and non-current borrowings)</b>	<b>12,884.44</b>	<b>10,451.91</b>

\* Non-current borrowings include current maturities of non-current borrowings

**20 OTHER FINANCIAL LIABILITIES**

Particulars	Non-Current		Current	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Interest accrued but not due (refer to note 42)	240.85	182.56	205.91	301.59
Unpaid dividends #	-	-	54.31	55.18
Capital creditors	-	-	760.00	602.47
Employee related payables (refer to note 42)	-	-	3,826.45	3,898.20
Security deposits	1.06	1.06	-	-
Refund liabilities	-	-	3.50	41.25
	<b>241.91</b>	<b>183.62</b>	<b>4,850.17</b>	<b>4,898.69</b>

# not due for deposit to investor education and protection fund

**21 PROVISIONS**

Particulars	Non-Current		Current	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Provisions for employee benefits (refer to note 41)				
Liability for gratuity	288.30	249.50	254.92	156.52
Liability for compensated absences	-	-	1,049.61	926.27
	<b>288.30</b>	<b>249.50</b>	<b>1,304.53</b>	<b>1,082.79</b>

**22 TRADE PAYABLES**

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Dues of Micro Enterprises and Small Enterprises (refer to note below)	465.73	441.44
Trade payables to related parties (refer to note 42)	14.95	3.53
Other trade payables	10,993.68	11,959.10
	11,008.63	11,962.63
	<b>11,474.36</b>	<b>12,404.07</b>

**Trade Payable Ageing Schedule**

As at 31 <sup>st</sup> March 2025	Outstanding for following periods from the date of transaction*					
	Unbilled	< 1 years	1 year to 2 years	2 years to 3 years	> 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	235.15	230.48	0.10	-	-	<b>465.73</b>
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,880.50	8,598.56	116.55	81.80	13.68	<b>10,691.09</b>
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	16.36	4.11	297.07	<b>317.54</b>
<b>Total</b>	<b>2,115.65</b>	<b>8,829.04</b>	<b>133.01</b>	<b>85.91</b>	<b>310.75</b>	<b>11,474.36</b>

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS**  
**AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
 (All amounts are in Indian Rupees Lacs, except for share data)

As at 31 <sup>st</sup> March 2024	Outstanding for following periods from the date of transaction *					
	Unbilled	< 1 years	1 year to 2 years	2 years to 3 years	> 3 years	Total
Total outstanding dues of micro enterprises and small enterprises	259.64	182.02	-	-	-	<b>441.66</b>
Total outstanding dues of creditors other than micro enterprises and small enterprises	913.17	10,614.87	95.78	2.52	6.03	<b>11,632.37</b>
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	17.08	4.89	308.07	<b>330.04</b>
<b>Total</b>	<b>1,172.81</b>	<b>10,796.89</b>	<b>112.86</b>	<b>7.41</b>	<b>314.10</b>	<b>12,404.07</b>

\*Note: Disputed dues of creditors mentioned above includes certain balances which are not paid on account of pending reconciliation with vendor. Payment for these balances will be released after final reconciliation with vendors.

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondences with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Accordingly, the disclosure in respect of amounts payable to such enterprises as at the year end has been made in the financial statements based on information available with the Group as under :

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
(a) The amounts remaining unpaid to micro, small and medium enterprises as at the end of the year		
- Principal	454.26	434.93
- Interest	11.47	6.51
(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 payment made to the supplier beyond the appointed date 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 each accounting year) but without adding the interest specified under the Micro Small and Medium Enterprises Development Act, 2006;	7.94	4.26
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	11.47	6.51
(e) The amount of further interest 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 as a deductible expenditure under section 23 of the Micro Small and Medium Enterprises Development Act, 2006.	7.94	4.26

\* The Group's exposure to currency and liquidity risk related to trade payables is disclosed in note 36B.

## 23 OTHER CURRENT LIABILITIES

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Revenue received in advance (refer to note 52)	2,545.15	3,491.03
Statutory dues	711.75	574.88
Deferred revenue	574.91	564.30
Interest payable	15.23	13.74
	<b>3,847.04</b>	<b>4,643.95</b>

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS**  
**AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
 (All amounts are in Indian Rupees Lacs, except for share data)

Below is the movement of Deferred revenue:-

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Balance as at the beginning of the year</b>	<b>564.30</b>	<b>422.84</b>
Add: Loyalty points created during the year	1,779.94	682.55
Less: Loyalty points redeemed/expired during the year	(1,769.33)	(541.09)
<b>Balance as at the end of the year</b>	<b>574.91</b>	<b>564.30</b>

**24 CURRENT TAX LIABILITIES (NET)**

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Provision for income tax (net of advance tax)	607.87	730.72
	<b>607.87</b>	<b>730.72</b>

**25 REVENUE FROM OPERATIONS**

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Sale of products	1,60,763.03	1,36,041.80
Sale of services	2,098.94	1,729.17
Other operating revenue		
Export incentives	482.24	437.68
Scrap sales	1,443.47	894.55
	<b>1,64,787.68</b>	<b>1,39,103.20</b>

Notes:

- Revenue disaggregation as per industry vertical and geography has been included in segment information (refer to note 43).
- Reconciliation of revenue recognised in the statement of profit and loss with the contracted price is as follows:

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
<b>Revenue as per contracted price</b>	<b>1,64,798.29</b>	<b>1,39,244.66</b>
Less: (Creation)/Redemption of loyalty points	(10.61)	(141.46)
<b>Revenue recognised</b>	<b>1,64,787.68</b>	<b>1,39,103.20</b>

Revenue from contract with the customers differ from the revenue as per contracted price due to factors such as loyalty points. The timing of revenue recognition for sale of products is when goods are transferred at a point of time. Customers are entitled to loyalty points on purchase of products which results in allocation of a portion of the transaction price to the loyalty points. Revenue is recognised when the points are redeemed. The Loyalty points can be redeemed within 15 months from the date of creation. The performance obligation in relation to sale of services is satisfied upon completion of service.

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

**c) Revenue from contracts with customers disaggregated based on nature of products and services**

	<b>Year ended 31<sup>st</sup> March 2025</b>	<b>Year ended 31<sup>st</sup> March 2024</b>
Revenue from sale of products		
- Precision and watch components	34,323.79	35,238.80
- Watch and watch accessories	1,24,747.07	99,302.59
- Others	1,692.16	1,500.40
Sale of services	2,098.94	1,729.17
Other operating revenue	1,443.47	894.55
	<b>1,64,305.44</b>	<b>1,38,665.52</b>
<b>Set out below is the revenue from contracts with customers and reconciliation to Statement of profit and loss</b>		
Total revenue from contracts with customers	1,64,305.44	1,38,665.52
Add: Items not included in disaggregated revenue:		
- Export Incentives	482.24	437.68
<b>Revenue from operations as per the statement of profit and loss</b>	<b>1,64,787.68</b>	<b>1,39,103.20</b>

**d. Contract balances**

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

	<b>Year ended 31<sup>st</sup> March 2025</b>	<b>Year ended 31<sup>st</sup> March 2024</b>
<b>Contract Assets -</b>		
Trade receivables (refer to note 13)	8,818.81	7,063.44
<b>Contract Liabilities -</b>		
Revenue received in advance (refer to note 23)	2,545.15	3,491.03
Deferred revenue (refer to note No. 23)	574.91	564.30
<b>Movement of Revenue received in advance as below :</b>		
<b>Balance at the beginning of the year</b>		
Revenue recognised / other adjustments during the year	<b>3,491.03</b>	<b>2,155.53</b>
Advance received during the year	(3,491.03)	(2,155.53)
<b>Balance at the end of the year</b>	<b>2,545.15</b>	<b>3,491.03</b>

In respect of advances received from customers, the company expect revenue to be recognised over the period of next 1 year from reporting year.

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

**26 OTHER INCOME**

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Interest income		
Fixed deposits with banks*	3,487.51	1,835.53
Interest income from related parties* (refer to note 42)	8.51	3.24
Interest income from others*	263.88	174.61
Dividend income	0.35	0.35
Rental income	10.79	10.05
Liabilities / provision no longer required written back	105.17	177.84
Provision for doubtful debts written back	-	0.52
Exchange gain on foreign exchange fluctuations (net)	624.87	544.93
Net change in fair value of financial assets (at FVTPL)	43.23	22.75
Gain on sale of property plant and equipment	-	63.00
Miscellaneous income #	124.92	41.38
	<b>4,669.23</b>	<b>2,874.20</b>

\*on financial assets at amortised cost

# mainly includes gain on early termination of lease liabilities.

**27 COST OF RAW MATERIALS CONSUMED**

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Inventory of raw materials at the beginning of the year	3,005.32	2,403.74
Purchases of raw materials	10,844.36	10,244.73
	13,849.68	12,648.47
Less: Inventory of raw materials at the end of the year	3,148.85	3,005.32
	<b>10,700.83</b>	<b>9,643.15</b>

**28 PURCHASE OF STOCK-IN-TRADE**

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Purchase of stock-in-trade	1,03,360.20	79,882.47
	<b>1,03,360.20</b>	<b>79,882.47</b>

**29 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND SCRAP**

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Opening stock		
Work-in-progress	1,255.13	1,087.26
Finished goods	107.63	157.90
Stock-in-trade	44,031.76	33,984.55
Scrap	10.71	-
	<b>45,405.23</b>	<b>35,229.71</b>

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Less:		
Closing stock		
Work-in-progress	1,657.80	1,255.13
Finished goods	364.46	107.63
Stock-in-trade	59,971.33	44,031.76
Scrap	-	10.71
	<b>61,993.59</b>	<b>45,405.23</b>
Adjustment for fluctuation in exchange rate	71.60	8.73
	<b>(16,516.76)</b>	<b>(10,166.79)</b>

**30 EMPLOYEE BENEFITS EXPENSES**

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Salaries, wages and bonus [refer to note 3 (c)]	18,343.47	16,935.35
Contributions to provident and other funds (refer to note 41)	1,069.23	929.12
Staff welfare expenses	852.37	708.57
	<b>20,265.07</b>	<b>18,573.04</b>

**31 FINANCE COSTS**

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Interest expense on financial liabilities measured at amortised cost	984.87	1,021.68
Interest on delay in deposit of income tax	6.51	3.54
Interest on lease liabilities (refer to note 44)	2,103.80	1,589.21
Other borrowing costs	46.56	7.94
	<b>3,141.74</b>	<b>2,622.37</b>

**32 DEPRECIATION AND AMORTISATION EXPENSE**

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Depreciation on property, plant and equipment (refer to note 3)	3,322.82	2,708.95
Depreciation on investment property (refer to note 3(a))	25.41	3.74
Amortisation of intangible asset (refer to note 4)	182.56	83.74
Depreciation of Right-of-use assets (refer to note 44)	5,080.64	3,696.30
	<b>8,611.43</b>	<b>6,492.73</b>

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

**33 OTHER EXPENSES**

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Stores and spares consumed	1,761.30	1,414.26
Power, fuel and water charges	1,106.07	956.71
Contractual labour expenses	1,743.03	1,250.40
Insurance	242.40	180.81
Rent [(net of reimbursements of Rs. 1.20 (31 <sup>st</sup> March 2024: Rs. 13.11)] [refer to note 45]	671.52	848.72
Rates and taxes	222.02	203.12
Repair and maintenance		
- Plant and machinery	405.38	369.92
- Buildings	112.92	179.38
- Others	1,475.42	1,174.81
Legal and professional fees	1,435.54	1,081.63
Travelling and conveyance	2,088.33	1,432.84
Job charges	2,125.50	1,294.55
Printing and stationery	82.72	85.97
Communication expenses	608.39	519.06
Commission	321.30	468.59
Events and exhibitions	180.51	81.47
Publicity and advertisement	2,854.93	2,143.45
Property, plant and equipment written off	49.18	46.20
Donation	4.87	4.92
Advances / deposits / bad debts written off (Refer to Note (b) below)	132.83	44.95
Loss on sale of property plant and equipment	54.51	-
Bank charges	851.79	661.36
Security service charges	154.10	137.33
Loss on sale of investment property	-	80.40
Cost of service rendered	592.82	455.18
Corporate social responsibility expenditure (Refer to Note (a) below)	279.55	126.00
Miscellaneous expenses	1,394.47	1,139.40
	<b>20,951.40</b>	<b>16,381.43</b>

**Note (a): Detail of corporate social responsibility expenditure**

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
a. Amount required to be spent by the Company during the year	278.12	126.00
b. Amount spent during the year (in cash)		
(i) Construction / acquisition of any asset	-	-
(ii) On purpose other than (i) above (refer to note 43 and note (c) below)	279.55	141.51
	<b>279.55</b>	<b>141.51</b>



**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
c. Details related to spent / unspent obligations:		
(i) Contribution	14.00	33.38
- Supporting health activities	189.41	97.13
- Ensuring environmental sustainability	17.50	11.00
- Promotion of education	28.92	-
- Others*		
(ii) Unspent amount in relation to:		
- Ongoing project**	29.72	-
- Other than ongoing project	-	-
	<b>279.55</b>	<b>141.51</b>
	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Excess CSR Expenditure incurred by the Holding Company and eligible to be set-off against the CSR Spending mandate of succeeding three financial years (Refer to Note 16)	1.43	15.51
	<b>1.43</b>	<b>15.51</b>

\* Rs. 15.51 have been set-off as CSR expenses by Parent Company from excess CSR spent during the previous year.

\*\*During the current year, Rs. 29.72 are unspent in respect of ongoing projects, which is required to be transferred to a special account in compliance of provision of sub section (6) of Section 135 of Companies Act and subsequent to year ended 31<sup>st</sup> March 2025, the Parent Company has deposited Rs. 29.72 in specified bank account on 29<sup>th</sup> April 2025.

**Note (b):** Movement of Advances / deposits/Bad debts written off

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Bad debts / Advances written off	242.68	77.04
Less: Provision for doubtful debts / advances adjusted	(109.85)	(32.09)
	<b>132.83</b>	<b>44.95</b>

### 34 INCOME TAX EXPENSE

#### A. Amounts recognised in statement of profit and loss

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
<b>Current tax</b>		
Current year	5,272.75	4,884.63
Changes in estimates related to prior years	(10.56)	(36.32)
	<b>5,262.19</b>	<b>4,848.31</b>
<b>Deferred tax</b>		
Attributable to—		
Origination and reversal of temporary differences	(16.76)	9.65
Changes in estimates related to prior years	(523.20)	19.95
	<b>(539.96)</b>	<b>29.60</b>
<b>Tax expense for the year</b>	<b>4,722.23</b>	<b>4,877.91</b>

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

**B. Reconciliation of effective tax rate**

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
<b>Profit before share of equity accounted investees and income tax</b>	<b>18,943.00</b>	<b>18,549.00</b>
Tax at the Indian tax rate *	5,045.68	4,610.83
Tax expense of foreign subsidiaries as per the laws in their country	51.31	53.01
Effect of expenses that are not deductible in determining taxable profit	60.36	37.14
Loss/income in subsidiaries (including consolidation adjustments) on which deferred tax has not been recognised	98.64	193.30
Deferred taxes recognised on impairment of the investments recognised in previous year**	(533.76)	(16.37)
<b>Income tax expenses recognised in statement of profit and loss</b>	<b>4,722.23</b>	<b>4,877.91</b>

\*The tax rate used for the current year reconciliation above is the corporate tax rate of 25.168% (except for one of the subsidiary where applicable rate is 34.944%) payable by corporate entities in India on taxable profits under the Indian tax law.

\*\* Recognised based upon the losses claimed in the current year.

**C. Income tax recognised in other comprehensive income**

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
<i>Arising on income and expenses recognised in other comprehensive income</i>		
Remeasurement of defined benefit liability (asset)	24.98	33.98
Exchange differences on translation of foreign operations	(111.08)	11.02
	<b>(86.10)</b>	<b>45.00</b>
<i>Bifurcation of the income tax recognised in other comprehensive income into</i>		
Items that will not be reclassified to profit or loss	24.98	33.98
Items that will be reclassified to profit or loss	(111.08)	11.02
	<b>(86.10)</b>	<b>45.00</b>

**35 EARNINGS PER SHARE**

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
<b>A. Basic earnings per share</b>		
i. Profit for basic earning per share of Rs. 10 each		
Profit attributable to Owners of the Company	9,460.86	10,267.91
ii. Weighted average number of equity shares (for basic)		
Balance at the beginning of the year	1,25,37,117	1,25,37,117
Effect of equity buyback	(1,30,322)	-
	<b>1,24,06,795</b>	<b>1,25,37,117</b>
<b>Basic earnings per share (face value of Rs. 10 each)</b>	<b>76.26</b>	<b>81.90</b>
<b>B. Diluted earnings per share</b>		
i. Profit for diluted earning per share of Rs. 10 each		
Profit for the year	9,460.86	10,267.91
ii. Weighted average number of equity shares (for diluted)		
Balance at the beginning of the year	1,25,37,117	1,25,37,117
Effect of equity buyback	(1,30,322)	-
	<b>1,24,06,795</b>	<b>1,25,37,117</b>
<b>Diluted earning per share (face value of Rs. 10 each)</b>	<b>76.26</b>	<b>81.90</b>

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

**36 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT**

**A. Accounting classification and fair values**

The following table shows the carrying amounts and fair value of financial assets and financial liabilities including their level in the fair value hierarchy:

	Note	Level of hierarchy	As at 31 <sup>st</sup> March 2025			As at 31 <sup>st</sup> March 2024		
			FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>								
<b>Non-current</b>								
Non-derivative financial assets								
Investment in equity shares- other companies	(i)	3	253.88	-	-	210.64	-	-
Loans	(ii)		-	-	236.46	-	-	140.11
Other financial assets	(ii)		-	-	2,968.44	-	-	3,289.99
<b>Current</b>								
Non-derivative financial assets								
Trade receivables	(iii)		-	-	8,818.81	-	-	7,063.44
Cash and cash equivalents	(iii)		-	-	19,474.15	-	-	23,897.06
Other bank balances	(iii)		-	-	32,215.91	-	-	29,079.87
Loans	(iii)		-	-	58.54	-	-	120.38
Other financial assets	(iii)		-	-	2,221.15	-	-	2,750.37
Derivative financial assets								
Forward contracts	(iv)	2	42.49	-	-	90.00	-	-
<b>Total financial assets</b>			<b>296.37</b>	<b>-</b>	<b>65,993.46</b>	<b>300.64</b>	<b>-</b>	<b>66,341.22</b>
<b>Financial liabilities</b>								
<b>Non-current</b>								
Non-derivative financial liabilities								
Borrowings	(v)		-	-	7,287.32	-	-	4,425.71
Other financial liabilities	(iii)		-	-	241.91	-	-	183.62
<b>Current</b>								
Non-derivative financial liabilities								
Borrowings	(v)		-	-	5,597.12	-	-	6,026.20
Trade payables	(iii)		-	-	11,474.36	-	-	12,404.07
Other financial liabilities	(iii)		-	-	4,850.17	-	-	4,898.69
<b>Total financial liabilities</b>			<b>-</b>	<b>-</b>	<b>29,450.88</b>	<b>-</b>	<b>-</b>	<b>27,938.29</b>

Notes:

- The fair value in respect of the unquoted equity investments has been determined using discounted cash flow method and Market comparison technique based on market multiples derived from quoted prices of companies comparable to the investee. The significant unobservable inputs used are expected cash flows, estimated EBITDA of the investee.
- Fair value of non-current financial assets and non-current financial liabilities has not been disclosed as there is no significant differences between carrying value and fair value.
- Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.
- The fair values of the derivative financial instruments has been determined using valuation techniques with market observable inputs. The models incorporate various inputs include the credit quality of counter-parties and foreign exchange forward rates.
- The fair value of borrowings is based upon a discounted cash flow analysis that used the aggregate cash flows from principal and finance costs over the life of the debt and current market interest rates.
- There are no transfers between Level 1, Level 2 and Level 3 during the year ended 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024.

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

**B. Financial risk management**

**(i) Risk management framework**

The Parent Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risk faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to effect changes in market conditions and Group's activities. The Group, through its training and management standards and procedures, aims to maintain discipline and constructive control environment in which all employees understand their roles and obligations.

The Group's audit committee oversees how management monitors compliance with Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to risk faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and adhoc reviews of risk management controls and procedures, the result of which are reported to audit committee.

The Group has exposure to the following risks arising from financial instruments:

- credit risk (see (ii))
- liquidity risk (see (iii))
- market risk (see (iv))
- product price risk (see (v))

**(ii) Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The carrying amount of financial assets represents the maximum credit risk exposure and arises principally from the Group and its JV's receivable from customers and loans.

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Non-derivative financial assets</b>		
Investments	253.88	210.64
Trade receivables	8,818.81	7,063.44
Loans	295.00	260.49
Other financial assets	5,189.59	6,040.36
<b>Derivative financial assets</b>		
Forward contracts	42.49	90.00
	<b>14,599.77</b>	<b>13,664.93</b>

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information, industry information and business intelligence. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the appropriate authority as per policy. In monitoring customer credit risk, customers are grouped according to their credit characteristics, including whether they are an individual or a legal entity, whether they are a institutional, dealers or end-user customer, their geographic location, industry, trade history with the Company and existence of previous financial difficulties. The Group enters into derivative contracts with bank and financial institutions having high credit ratings.

The Group's exposure to credit risk for trade receivables by geographic region is as follows:

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Within India	3,564.46	2,748.31
Outside India	5,254.35	4,315.13
	<b>8,818.81</b>	<b>7,063.44</b>

The Group based on internal assessment which is driven by the historical experience / current facts available in relation to default and delays in collection thereof, the credit risk for trade receivables is considered low. The Group estimates its allowance for

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS**  
**AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
 (All amounts are in Indian Rupees Lacs, except for share data)

trade receivable using lifetime expected credit loss. Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables.

Particulars	Gross carrying amount	Loss allowance	Carrying amount
<b>31<sup>st</sup> March 2025</b>			
Less than 6 Months	8,795.36	18.39	8,776.97
More than 6 Months	42.84	1.00	41.84
	<b>8,838.20</b>	<b>19.39</b>	<b>8,818.81</b>
<b>31<sup>st</sup> March 2024</b>			
Less than 6 Months	6,879.06	15.68	6,863.38
More than 6 Months	201.06	1.00	200.06
	<b>7,080.12</b>	<b>16.68</b>	<b>7,063.44</b>

The movement in the allowance for impairment in respect of trade receivables is as follows:

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Balance as at the beginning of the year</b>	<b>16.68</b>	<b>38.78</b>
Provision created during the year	18.39	11.77
Provision utilised / reversed during the year	(15.68)	(33.87)
<b>Balance as at the end of the year</b>	<b>19.39</b>	<b>16.68</b>

The movement in the allowance for bad and doubtful advances/recoverable and deposit under protest are as follows: (Refer Note 16)

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Balance as at the beginning of the year</b>	<b>4.49</b>	<b>15.00</b>
Provision created during the year	99.68	-
Provision utilised/reversed during the year	-	(10.51)
<b>Balance as at the end of the year</b>	<b>104.17</b>	<b>4.49</b>

Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. The loans primarily represents security deposits given and loans given to employees. The Group also carries credit risk on lease deposits with landlords for store properties taken on leases, for which agreements are signed and property possessions timely taken for store operations. The risk relating to refunds after store shut down is managed through successful negotiations or appropriate legal actions, where necessary. The management believes these to be high quality assets with negligible credit risk. The management believes the parties to which these deposits and loans have been given have strong capacity to meet the obligations and where the risk of default is negligible or nil and accordingly no provision for expected credit loss has been provided on these financial assets. Credit risk on cash and cash equivalents and bank deposits is limited as the Group generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies.

**Cash and cash equivalents**

The Group holds cash and cash equivalents of Rs.19,474.15 at 31<sup>st</sup> March 2025 (31<sup>st</sup> March 2024: Rs.23,897.06). The cash and cash equivalents are mainly held with scheduled banks.

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

**(iii) Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. The Group's approach to manage liquidity is to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group believes that its liquidity position, including total cash and cash equivalents and other bank balances anticipated future internally generated funds from operations will enable it to meet its future known obligations in the ordinary course of business. However, if a liquidity needs were to arise, the Group believes it has access to financing arrangements, value of unencumbered assets, which should enable it to meet its ongoing capital, operating, and other liquidity requirements. The Group will continue to consider various borrowing or leasing options to maximize liquidity and supplement cash requirements as necessary. As at 31<sup>st</sup> March, 2025, the Group has available Rs. 14,188.65 (31<sup>st</sup> March 2024: Rs. Rs. 4,826.03) in form of undrawn committed borrowing limits.

The following table provides details regarding the contractual maturities of significant financial liabilities on an undiscounted basis:

	Less than 1 Year	1 to 5 Years	More than 5 Years	Total	Carrying amount
<b>31<sup>st</sup> March 2025</b>					
<b>Non-derivative financial liabilities</b>					
Borrowings	5,630.66	6,749.57	-	12,380.23	12,884.44
Trade payables	11,474.36	-	-	11,474.36	11,474.36
Other financial liabilities	4,850.17	241.91	-	5,092.08	5,092.08
Lease liabilities	7,586.45	26,138.13	8,984.51	42,709.09	32,451.55
	<b>29,541.64</b>	<b>33,129.61</b>	<b>8,984.51</b>	<b>71,655.76</b>	<b>61,902.43</b>
<b>31<sup>st</sup> March 2024</b>					
<b>Non-derivative financial liabilities</b>					
Borrowings	6,306.40	4,880.95	-	11,187.34	10,451.91
Trade payables	12,404.07	-	-	12,404.07	12,404.07
Other financial liabilities	4,898.69	183.62	-	5,082.31	5,082.31
Lease liabilities	4,359.72	12,665.93	1,740.07	18,765.72	14,571.76
	<b>27,968.88</b>	<b>17,730.49</b>	<b>1,740.07</b>	<b>47,439.44</b>	<b>42,510.05</b>

**(iv) Market risk**

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

**a. Interest rate risk**

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings with floating interest rates.

**Exposure to interest rate risk**

The Group is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The borrowings of the Group are principally denominated in rupees and CHF with a mix of fixed and floating rates of interest. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings. The exposure of the Group's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Fixed rate borrowings	11,101.18	8,618.91
Floating rate borrowings	1,783.26	1,833.00
<b>Total borrowings</b>	<b>12,884.44</b>	<b>10,451.91</b>

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS**  
**AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
 (All amounts are in Indian Rupees Lacs, except for share data)

**Interest rate sensitivity analysis**

A reasonably possible change of 0.50 % in interest rates at the reporting date would have affected the profit or loss / other equity by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	<b>Profit or Loss / Other equity</b>	
	<b>Strengthening</b>	<b>Weakening</b>
<b>For the year ended 31<sup>st</sup> March 2025</b>		
Interest rate (0.50% movement)	8.92	(8.92)
<b>For the year ended 31<sup>st</sup> March 2024</b>		
Interest rate (0.50% movement)	9.17	(9.17)

**b. Foreign currency risk**

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Group's operating, investing and financing activities.

**Unhedged foreign currency exposure**

The following table provides details of the Group's exposure to currency risk (Mainly Companies incorporated in India):

<b>Assets</b>	<b>As at 31<sup>st</sup> March 2025</b>		<b>As at 31<sup>st</sup> March 2024</b>	
	<b>Amount (Rs.)</b>	<b>Amount in foreign currency</b>	<b>Amount (Rs.)</b>	<b>Amount in foreign currency</b>
<b>Trade receivables</b>				
HKD	1.14	0.10	-	-
USD	2,688.73	31.54	1,020.77	12.31
EUR	443.80	4.84	298.18	3.34
CHF	1,587.45	16.53	742.88	8.16
GBP	-	-	135.26	1.29
<b>Other financial assets</b>				
CHF	105.01	1.11	15.27	0.15
<b>Bank balances in foreign currency</b>				
CHF	175.45	1.83	147.38	1.60
USD	2.02	0.02	8.95	0.11
AUD	-	-	1.02	0.02
SGD	0.27	0.00	-	-
EUR	-	-	0.27	0.00
<b>Total (A)</b>	<b>5,003.87</b>		<b>2,369.98</b>	



## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

Liabilities	As at 31 <sup>st</sup> March 2025		As at 31 <sup>st</sup> March 2024	
	Amount (Rs.)	Amount in foreign currency	Amount (Rs.)	Amount in foreign currency
<b>Trade payables</b>				
HKD	72.34	6.64	41.43	3.85
USD	634.59	7.44	304.41	3.65
EUR	(131.35)	(1.43)	62.17	0.69
CHF	935.29	9.74	1,767.58	19.06
JPY	-	-	16.68	0.30
AED	(12.11)	(0.52)	27.83	1.23
SGD	-	-	7.67	0.12
GBP	(2.07)	(0.02)	-	-
<b>Commission payable in foreign currency</b>				
CHF	384.48	5.67	514.56	5.54
EUR	18.87	0.22	7.13	0.08
USD	16.81	0.26	0.24	0.00
<b>Total (B)</b>	<b>1,916.85</b>		<b>2,749.70</b>	
<b>Net exposure in respect of recognised assets and liabilities (A-B)</b>	<b>3,087.02</b>		<b>(379.72)</b>	

### Forward contracts outstanding as at the end of the year

	As at 31 <sup>st</sup> March 2025		As at 31 <sup>st</sup> March 2024	
	Amount (Rs.)	Amount in foreign currency	Amount (Rs.)	Amount in foreign currency
<b>Exports</b>				
CHF	2,087.00	21.50	1,457.28	16.00

### Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024 would have affected the measurement of financial instruments denominated in foreign currency and affected Statement of Profit and Loss by the amounts shown below. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Profit or Loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
<b>31<sup>st</sup> March 2025</b>				
HKD (1% movement)	0.71	(0.71)	0.53	(0.53)
USD (1% movement)	(20.39)	20.39	(15.26)	15.26
EUR (1% movement)	(5.56)	5.56	(4.16)	4.16
CHF (1% movement)	(5.48)	5.48	(4.10)	4.10
GBP (1% movement)	(0.02)	0.02	(0.02)	0.02
SGD (1% movement)	-	-	(0.00)	0.00
AED (1% movement)	(0.12)	0.12	(0.09)	0.09
<b>31<sup>st</sup> March 2024</b>				
HKD (1% movement)	0.41	(0.41)	0.31	(0.31)
USD (1% movement)	(7.25)	7.25	(5.43)	5.43
EUR (1% movement)	(2.29)	2.29	(1.71)	1.71
CHF (1% movement)	13.77	(13.77)	10.30	(10.30)
GBP (1% movement)	(1.35)	1.35	(1.01)	1.01
SGD (1% movement)	0.08	(0.08)	0.06	(0.06)
AED (1% movement)	0.28	(0.28)	0.21	(0.21)
JPY (1% movement)	0.17	(0.17)	0.12	(0.12)
AUD (1% movement)	(0.01)	0.01	(0.01)	0.01

HKD: Hong Kong Dollar, USD: US Dollar, EUR: Euro, CHF: Swiss Franc, GBP: Pound Sterling, SGD: Singapore Dollar, JPY: Japanese Yen, AUD: Australian Dollar, AED: Emirati Dirham.

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

**(v) Product price risk**

In a potentially inflationary economy, the Group expects periodical price increases across its retail product lines. Product price increases which are not in line with the levels of customers' discretionary spends, may affect the business/retail sales volumes. Since the Group operates in luxury category, the demand is reasonably inelastic to changes in price. However, the Group continually monitor and compares prices of its products in other developed markets as its customers tend to compare prices across markets. In the event that prices deviate significantly unfavourably from the markets, the Group negotiates with its principals for change of prices. The Group also manages the risk by offering judicious product discounts to retail customers to sustain volumes. The Group negotiates with its vendors for purchase price rebates such that the rebates substantially absorb the product discounts offered to the retail customers. This helps the Group protect itself from significant product margin losses.

**37 CAPITAL MANAGEMENT**

**(i) Risk management**

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders.

The Group monitors capital using a ratio of 'adjusted net debt' to 'total equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings, less cash and cash equivalents and other bank balances. Total equity comprises all components of equity as shown in balance sheet.

In order to achieve this overall objective, the Group'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.

The Group's adjusted net debt to total equity ratio was as follows:

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Total liabilities excluding deferred tax liabilities, provisions, other current liabilities and current tax liabilities	61,902.43	42,510.05
Less: cash and cash equivalents and other bank balances	51,690.06	52,976.93
<b>Adjusted net debt</b>	<b>10,212.37</b>	<b>(10,466.88)</b>
<b>Total equity</b>	<b>1,41,049.96</b>	<b>1,14,430.00</b>
<b>Net debt to total equity ratio</b>	<b>0.07</b>	<b>(0.09)</b>

**(ii) Dividends (including corporate dividend tax)**

	31 <sup>st</sup> March 2025	31 <sup>st</sup> March 2024
<b>Equity shares</b>		
<b>Dividends on equity shares declared and paid:</b>		
Final dividend for the year ended 31 <sup>st</sup> March 2024 of Rs. 4.00 (31 <sup>st</sup> March 2023 of Rs. 2.00) per fully paid equity shares*	501.48	250.74
Interim dividend for the year ended 31 <sup>st</sup> March 2025 of Rs. Nil (31 <sup>st</sup> March 2024 of Rs. 58.00) per fully paid equity shares	-	7,271.53

\*Final dividend has been paid on the number of shares issued by the Company till the date of annual general meeting after approval of the shareholders.

**Proposed dividend on Equity shares:#**

Proposed dividend for the year ended on 31 <sup>st</sup> March 2025: Rs. 5.00 (31 <sup>st</sup> March 2024 of Rs. 4.00) per equity share	614.96	501.48
--	--------	--------

# Proposed dividend on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at 31<sup>st</sup> March .

**38 NON-CONTROLLING INTEREST (NCI)**

The following table summarises the information relating to each of the Group's subsidiaries that has material NCI, before any intra-group eliminations:

# NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

## As at 31<sup>st</sup> March 2025

Particulars	Ethos Limited	Cognition Digital LLP	Ethos Lifestyle Private Limited (Formerly RF Brands Private Limited)	Silvercity Brands AG	Favre Leuba
<b>NCI Percentage</b>	<b>49.88%</b>	<b>49.88%</b>	<b>49.88%</b>	<b>7.37%</b>	<b>7.37%</b>
Non-current assets	51,330.81	241.80	1,387.53	3,150.50	-
Current assets	88,279.73	520.83	336.29	5,216.45	16.57
Non-current liabilities	23,830.37	20.74	946.36	-	-
Current liabilities	17,771.70	71.57	188.46	845.82	-
<b>Net Assets</b>	<b>98,008.47</b>	<b>670.32</b>	<b>589.00</b>	<b>7,521.13</b>	<b>16.57</b>
Exchange differences on translation of foreign operations	-	-	-	-	-
Elimination adjustments	1,048.11	-	-	-	18.39
	<b>96,960.36</b>	<b>670.32</b>	<b>589.00</b>	<b>7,521.13</b>	<b>(1.82)</b>
<b>Net assets attributable to NCI</b>	<b>48,367.22</b>	<b>334.39</b>	<b>293.82</b>	<b>554.41</b>	<b>(0.13)</b>
Revenue	1,24,652.54	510.17	-	1,227.26	-
Profit / (loss) for the year	9,551.12	88.67	(11.00)	(395.74)	(2.62)
OCI	(13.39)	(0.38)	-	-	-
<b>Total comprehensive income</b>	<b>9,537.73</b>	<b>88.29</b>	<b>(11.00)</b>	<b>(395.74)</b>	<b>(2.62)</b>
Profit / (loss) allocated to NCI	4,757.84	44.05	(5.49)	(29.17)	(0.19)
OCI allocated to NCI	9.08	-	-	-	-
<b>Total comprehensive income / (expense) allocated to NCI</b>	<b>4,766.92</b>	<b>44.05</b>	<b>(5.49)</b>	<b>(29.17)</b>	<b>(0.19)</b>
Cash flows from operating activities	(2,074.31)	95.71	(50.05)	1,459.65	(2.62)
Cash flows from investing activities	4,954.73	(82.20)	(213.93)	(1,320.66)	-
Cash flows from financing activities	(6,331.43)	(8.42)	500.00	1,719.16	0.98
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(3,451.00)</b>	<b>5.09</b>	<b>236.02</b>	<b>1,858.15</b>	<b>(1.64)</b>

## As at 31<sup>st</sup> March 2024

Particulars	Ethos Limited	Cognition Digital LLP	Ethos Lifestyle Private Limited (Formerly RF Brands Private Limited)	Silvercity Brands AG	Favre Leuba
<b>NCI Percentage</b>	<b>46.17%</b>	<b>46.17%</b>	<b>0.00%</b>	<b>6.17%</b>	<b>6.17%</b>
Non-current assets	31,058.54	81.87	-	1,758.94	-
Current assets	85,979.05	578.38	-	2,030.33	18.22
Non-current liabilities	11,565.14	25.59	-	-	-
Current liabilities	17,276.01	52.64	-	148.48	-
<b>Net Assets</b>	<b>88,196.44</b>	<b>582.02</b>	<b>-</b>	<b>3,640.78</b>	<b>18.22</b>
Exchange differences on translation of foreign operations	-	-	-	-	-
Elimination adjustments	381.77	-	-	-	-
	<b>87,814.67</b>	<b>582.02</b>	<b>-</b>	<b>3,640.78</b>	<b>18.22</b>
<b>Net assets attributable to NCI (including preference share capital and its arrears attributable to NCI)</b>	<b>40,539.91</b>	<b>268.71</b>	<b>-</b>	<b>224.74</b>	<b>1.12</b>

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS**  
**AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
 (All amounts are in Indian Rupees Lacs, except for share data)

Particulars	Ethos Limited	Cognition Digital LLP	Ethos Lifestyle Private Limited (Formerly RF Brands Private Limited)	Silvercity Brands AG	Favre Leuba
Revenue	99,345.78	447.43	-	106.00	-
Profit / (loss) for the year	8,225.72	103.74	-	(19.28)	-
OCI	(41.38)	(0.67)	-	-	-
<b>Total comprehensive income</b>	<b>8,184.34</b>	<b>103.07</b>	<b>-</b>	<b>(19.28)</b>	<b>-</b>
Profit / (loss) allocated to NCI	3,434.91	43.96	-	(1.61)	-
OCI allocated to NCI	(18.50)	-	-	-	-
<b>Total comprehensive income / (expense) allocated to NCI</b>	<b>3,416.41</b>	<b>43.96</b>	<b>-</b>	<b>(1.61)</b>	<b>-</b>
Cash flows from operating activities	3,085.30	(3.91)	-	(3.36)	-
Cash flows from investing activities	(12,240.20)	(39.90)	-	(18.44)	-
Cash flows from financing activities	12,450.36	17.40	-	40.52	18.22
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>3,295.46</b>	<b>(26.41)</b>	<b>-</b>	<b>18.71</b>	<b>18.22</b>

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

**39** Additional information pursuant to paragraph 2 of Division II of Schedule III to the Companies Act 2013- 'General instructions for the preparation of consolidated Ind AS financial statements' of Division II of Schedule III

**AS AT 31<sup>ST</sup> MARCH 2025**

Name of the entity in the Group	Net Assets (Total assets - Total liabilities)		Share in profit/ (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Parent</b>								
KDDL Limited	23.41%	33,023.43	33.79%	4,807.68	(29.00%)	(74.29)	32.68%	4,733.39
<b>Subsidiaries</b>								
<b>Indian</b>								
Ethos Limited	69.48%	98,008.47	67.13%	9,551.12	(5.23%)	(13.39)	65.85%	9,537.73
Mahen Distribution Limited	30.97%	43,681.12	6.13%	871.84	493.35%	1,263.95	14.75%	2,135.79
Kamla Tesio Dials Limited	0.06%	85.75	0.35%	49.62	0.00%	-	0.34%	49.62
Cognition Digital LLP	0.48%	670.32	0.62%	88.67	(0.15%)	(0.38)	0.61%	88.29
Ethos Lifestyle Private Limited (Formerly RF Brands Private Limited)	0.42%	589.00	(0.08%)	(11.00)	0.00%	-	(0.08%)	(11.00)
<b>Foreign</b>								
Kamla International Holdings SA	2.37%	3,348.83	6.98%	993.78	98.16%	251.48	8.60%	1,245.26
Pylania SA	1.73%	2,445.34	1.15%	162.98	31.76%	81.36	1.69%	244.34
Estima AG	(2.83%)	(3,995.69)	(6.96%)	(989.99)	(63.18%)	(161.88)	(7.95%)	(1,151.87)
Silvercity Brands AG	5.33%	7,521.13	(2.78%)	(395.74)	112.52%	288.27	(0.74%)	(107.47)
Favre Leuba	(0.00%)	(1.82)	(0.02%)	(2.62)	0.31%	0.80	(0.01%)	(1.82)
<b>Joint Venture</b>								
Pasadena Retail Private Limited	0.28%	388.37	0.05%	7.13	-	-	0.05%	7.13
Elimination	(31.70%)	(44,714.30)	(6.36%)	(905.57)	(538.54%)	(1,379.73)	(15.78%)	(2,285.30)
<b>Total</b>	<b>100.00%</b>	<b>1,41,049.96</b>	<b>100.00%</b>	<b>14,227.90</b>	<b>100.00%</b>	<b>256.20</b>	<b>100.00%</b>	<b>14,484.10</b>

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

Name of the entity in the Group	Net Assets (Total assets - Total liabilities)		Share in profit/ (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit/ (loss)	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
<b>Parent</b>								
KDDL Limited	34.70%	39,707.95	160.09%	22,004.96	63.67%	(89.86)	161.09%	21,915.10
<b>Subsidiaries</b>								
<b>Indian</b>								
Ethos Limited	77.07%	88,196.44	59.14%	8,129.21	7.14%	(10.08)	59.68%	8,119.13
Mahen Distribution Limited	36.31%	41,545.34	0.39%	53.15	(20871.11%)	29,455.94	216.91%	29,509.09
Kamla Tesio Dials Limited	0.03%	36.11	0.04%	5.89	0.00%	-	0.04%	5.89
Cognition Digital LLP	0.51%	582.02	0.75%	103.74	0.47%	(0.67)	0.76%	103.07
<b>Foreign</b>								
Kamla International Holdings SA	1.84%	2,106.43	(0.26%)	(35.94)	(13.79%)	19.47	(0.12%)	(16.48)
Pylania SA	1.91%	2,189.49	1.11%	153.12	(34.19%)	48.25	1.48%	201.37
Estima AG	(2.49%)	(2,843.83)	(3.77%)	(518.12)	37.63%	(53.11)	(4.20%)	(571.23)
Silvercity Brands AG	3.18%	3,640.78	(0.71%)	(97.83)	47.11%	(66.49)	(1.21%)	(164.32)
Favre Leuba	0.02%	18.22	0.00%	-	0.00%	-	0.00%	-
<b>Joint Venture</b>								
Pasadena Retail Private Limited	0.33%	381.24	0.54%	74.09	0.00%	-	0.54%	74.09
Eliminations	(53.42%)	(61,130.19)	(117.33%)	(16,127.10)	20863.06%	(29,444.59)	(334.99%)	(45,571.69)
<b>Total</b>	<b>100.00%</b>	<b>1,14,430.00</b>	<b>100.00%</b>	<b>13,745.18</b>	<b>100.00%</b>	<b>(141.13)</b>	<b>100.00%</b>	<b>13,604.05</b>

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

**40 CONTINGENT LIABILITIES AND COMMITMENTS:**

(to the extent not provided for)

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>(ia) Claims against the Group not acknowledged as debts, under dispute</b>		
- Demand raised by Punjab State Electricity Board for payment of penalty for usage of additional power against sanctioned load. Amount paid under protest Rs. 2.96 (31 <sup>st</sup> March 2024: Rs. 2.96).	3.73	3.73
- Demand raised for Income tax	631.77	607.05
- Custom duty matters	-	12.90
- Excise Duty matters	65.77	65.77
- Claims against the Company not acknowledged as debt (to the extent ascertainable)	34.09	298.14
	<b>735.36</b>	<b>987.59</b>
It is not practicable for the Group to estimate the timing of cash outflows, if any, in respect of our pending resolution of the respective proceedings as it is determined only on receipt of judgements/decisions pending with various authorities.		
<b>(ib) -Goods and Services Tax matters</b>	1,767.52	12.15
<b>(ii) Commitments</b>		
- Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for	1,465.77	3,072.92
	<b>1,465.77</b>	<b>3,072.92</b>

- (iii) In addition, the Group is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Group's management does not expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Group's results of operations or financial condition.
- (iv) Pursuant to recent judgement by Hon'ble Supreme Court dated 28<sup>th</sup> February 2019, it was held that basic wages, for the purpose of provident fund, to include special allowance which are common for all employees, However, there is uncertainty with respect to the applicability of the judgement and period from which the same applies. Owing to the aforesaid uncertainty and pending clarification from the authority in this regard, the Parent Company and its Indian subsidiary has not recognised any provision. Further, management also believes that the impact of the same on the Group will not be material.
- (v) In accordance with Swiss law, land contaminated in Switzerland, must be restored to its original condition. During an earlier year, the Group had acquired 100% equity interest in Estima AG based in Switzerland which is situated on contaminated land. In accordance with the applicable legal requirements, the Group is planning to restore the site using technology and materials that are available currently at an estimated cost of Rs. 1,152.60 (CHF 12,00,000). The rehabilitation is expected to occur progressively over the next few years. Because of the long term nature of the liability, the biggest uncertainty in estimating the provision is the costs that will be incurred. During the year ended 31<sup>st</sup> March 2019, the Group had provided Rs. 858.60 (CHF 12,00,000) (at the year end exchange rate : Rs. 1,152.60 (CHF 12,00,000) for this purpose. This cost has been reduced from the fair value of land acquired as part of the acquisition of Estima AG.



**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS**  
**AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
 (All amounts are in Indian Rupees Lacs, except for share data)

**41 EMPLOYEE BENEFITS**

**A. Assets and liabilities relating to employee benefits**

	Non-Current		Current	
	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Liability for gratuity	288.30	249.50	254.92	156.52
Liability for compensated absences	-	-	1,049.61	926.27
	<b>288.30</b>	<b>249.50</b>	<b>1,304.53</b>	<b>1,082.79</b>

For details about the related employee benefit expenses, refer to note 30.

**B. Defined Benefit Plan**

The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the Act, employees who have completed at least five years of service are entitled to specific benefit. The level of benefit provided depends on the member's length of service and salary retirement age. The employee is entitled to a benefit equivalent to 15 days salary last drawn salary for each completed year of service with part thereof in excess of six months. The same is payable on termination of service or retirement or death whichever is earlier. The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation as at the reporting date using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligations are measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government bonds as at the date of actuarial valuation. Remeasurement gains and losses (net of tax) are recognised immediately in the Other Comprehensive Income (OCI).

The employees' gratuity fund scheme managed by Life Insurance Corporation of India in case of Parent Company and one of the indian subsidiary company is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The Parent Company and its indian subsidiaries made annual contributions to the LIC of India of an amount advised by the LIC.

The above defined benefit plan exposes the Group to following risks:

*Interest rate risk:*

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

*Salary inflation risk:*

Higher than expected increases in salary will increase the defined benefit obligation.

*Demographic risk:*

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

The Group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Group has not changed the processes used to manage its risks from previous periods. The funds are managed by specialised team of Life Insurance Corporation of India (LIC).

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

**(i) Funding**

Gratuity is a funded benefit plan for qualifying employees. 100% of the plan assets are managed by LIC. The assets managed are highly liquid in nature and the Group does not expect any significant liquidity risks.

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>(ii) Reconciliation of present value of defined benefit obligation</b>		
Present value of obligation at the beginning of the year	1,673.39	1,356.21
Current service cost	180.45	148.55
Interest cost	120.82	99.81
Benefits paid	(193.35)	(62.87)
Actuarial (gains) / losses recognised in other comprehensive income		
- Change in financial assumptions	29.48	16.02
- Experience adjustments	90.59	115.66
<b>Present value of obligation at the end of the year</b>	<b>1,901.38</b>	<b>1,673.38</b>
<b>(iii) Reconciliation of the present value of plan assets</b>		
Plan assets at the beginning of the year, at fair value	1,267.36	1,226.49
Return on plan assets recognised in other comprehensive income	2.33	(2.73)
Contributions	130.00	11.48
Benefits paid	(133.04)	(57.98)
Interest income	91.51	90.10
<b>Plan assets at the end of the year, at fair value</b>	<b>1,358.16</b>	<b>1,267.36</b>
<b>(iv) Amount recognized in the balance sheet</b>		
Present value of the defined benefit obligations at the end of the year	1,901.38	1,673.38
Fair value of plan assets at the end of the year	(1,358.16)	(1,267.36)
<b>Net liability / (asset) recognized in the balance sheet</b>	<b>543.22</b>	<b>406.02</b>

**(v) Plan assets**

Plan assets comprise of the following:

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Policy of insurance	1,358.17	1,267.36
	<b>1,358.17</b>	<b>1,267.36</b>

**(vi) Amount recognized in the Statement of Profit and Loss**

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Current service cost	180.46	148.55
Interest cost (net)	29.31	9.71
<b>Amount recognized in the Statement of Profit and Loss</b>	<b>209.77</b>	<b>158.26</b>

**(vii) Remeasurements recognised in other comprehensive income**

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Actuarial gain/loss on the defined benefit obligation	101.65	131.68
Return on plan assets excluding interest income	(2.38)	2.73
<b>Amount recognized in other comprehensive income</b>	<b>99.27</b>	<b>134.41</b>

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS**  
**AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
 (All amounts are in Indian Rupees Lacs, except for share data)

**(viii) Actuarial assumptions**

- a) Economic assumptions:** The principal assumptions are the discount rate and salary growth rate. The discount rate is generally based upon the market yield available on the Government bonds at the accounting date with a term that matches that of the liabilities and the salary growth rate takes account of inflation, seniority, promotion and other relevant factors on long term basis.

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Discount rate	6.99%	7.36%
Expected rate of return on plan assets	6.99%	7.36%
Salary increase	4.00%	4.00%
Expected average remaining working lives of employees (years)	20.50	21.35

- b) Demographic assumptions:**

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Retirement age	58 years	58 years
Mortality	Indian assured lives mortality (2012-14) Ultimate	Indian assured lives mortality (2012-14) Ultimate
Attrition rate		
Upto 30 years	3%	3%
31 to 44 years	2%	2%
45 and above	1%	1%

**(ix) Sensitivity analysis on defined benefit obligation on account of change in significant assumptions:**

Particulars	As at 31 <sup>st</sup> March 2025		As at 31 <sup>st</sup> March 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50% movement)	(74.75)	80.35	(67.12)	68.89
Future salary growth (0.50% movement)	80.22	(75.17)	69.04	(67.86)

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

**(x) Expected future benefit payments**

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
The expected maturity analysis of undiscounted defined benefit liability is as follows:		
Within 1 year	188.72	71.59
1-2 year	110.14	22.21
2-5 years	397.54	70.55
5-10 years	1,205.01	173.47

**(xi) Weighted average duration and expected employers contribution for next year of the defined benefit plan**

Particulars	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
Weighted average duration (in years)	12.21	12.21
Expected Employers contribution for the next year	221.76	195.85

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

### C. Defined contribution Plan

The Group makes contribution towards employees' provident fund, superannuation fund and employees' state insurance plan scheme. Under the schemes, the Group is required to contribute a specified percentage of payroll cost, as specified in the rules of the scheme, to these defined contribution schemes. The expense recognised towards contribution of these plans is as follows:

Particulars	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
Provident fund	773.47	704.35
Superannuation fund	5.02	4.34
Employees' state insurance scheme	26.25	29.92
Pension fund	83.43	81.47
	<b>888.17</b>	<b>820.08</b>

### 42 RELATED PARTIES:

#### (i) Joint Venture

Pasadena Retail Private Limited

#### (ii) Key managerial personnel (KMP) of the Company, their close family members and related entities

(a) Names of KMP	Names of their close family members (refer note 1 below)
- Mr. Yashovardhan Saboo (Chairman and managing director)	Mr. R.K. Saboo (father), Mrs. Usha Devi Saboo (mother), Mrs. Anuradha Saboo (spouse) Mr. Pranav Shankar Saboo (Son), Mrs. Malvika Saboo (son's spouse) Mrs. Satvika Saboo Suri (daughter)
- Mr. Sanjeev Kumar Masown (Whole Time Director and Chief financial officer)	Mrs. Neeraj Masown (spouse), Mr. Lal Chand Masown (father), Ms. Muskan Masown (daughter)
- Mr. Brahm Prakash Kumar (Company Secretary)	
<b>Related entities of KMP</b>	
- Vardhan Properties & Investments Limited	
- VBL Innovations Private Limited	
- Dream Digital Technology Private Limited	
- Artisan Watch Products Private Limited (W.e.f. 19 <sup>th</sup> March 2025)	
- KDDL Ethos Foundation	
- Saboo Ventures LLP	
- Saboo Housing Projects LLP	
- Shri R.K. Saboo a/c Tara Chand Mahendra Kumar HUF	
- Shri Yasho Vardhan Saboo a/c Yasho Vardhan HUF	
- Veena Kanoria Family Trust	
- RKS JS Family Trust	
- UDS JS Family Trust	
- ASP Saboo Family Trust	
- Saveeka Family Trust	
- Rival Soul International SARL	
- Haute-Rive Watches SA	

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS**  
**AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
 (All amounts are in Indian Rupees Lacs, except for share data)

<b>(b) Non-executive Directors</b>	<b>Names of their close family members (refer note 1 below)</b>		
- Mr. Anil Khanna (upto 5 <sup>th</sup> August 2024)	Mrs. Alka Khanna (spouse)	Mr. Saahil Khanna (son)	Ms. Salonee Khanna (daughter)
- Mrs. Ranjana Agarwal (upto 5 <sup>th</sup> August 2024)			
- Mrs. Anuradha Saboo (w.e.f 12 <sup>th</sup> August 2023)			
- Mr. Praveen Gupta			
- Mr. Jai Vardhan Saboo			
- Mr. Sanjiv Sachar			
- Mrs. Neelima Tripathi			
- Mr. Nagarajan Subramanian			

**Note:**

- With respect to the key managerial personnel, disclosure has been given for those relatives with whom the Company has made transactions during the year.

**c) Related party transactions**

**Year ended 31<sup>st</sup> March 2025**

	<b>Associate</b>	<b>Joint venture</b>	<b>Related entities of KMP</b>	<b>Key management personnel (KMP)</b>	<b>Other related parties</b>
<b>1 Sale of goods and services</b>					
Mr. Pranav S Saboo	-	-	-	21.64	-
Mr. Jai Vardhan Saboo	-	-	-	217.28	-
Mrs. Satvika Saboo Suri	-	-	-	-	6.69
Mrs. Malvika Saboo	-	-	-	-	0.01
Mr. Yashovardhan Saboo	-	-	-	56.52	-
VBL Innovations Private Limited	-	-	0.37	-	-
Saboo Ventures LLP	-	-	2.79	-	-
<b>2 Purchase of goods</b>					
Mr. Yashovardhan Saboo	-	-	-	33.82	-
VBL Innovations Private Limited	-	-	16.31	-	-
<b>3 Payment of lease liabilities</b>					
Mr. Yashovardhan Saboo	-	-	-	19.51	-
Mrs. Anuradha Saboo	-	-	-	32.53	-
Saboo Housing Projects LLP	-	-	21.14	-	-
<b>4 Sale of property, plant and equipment</b>					
Mr. Yashovardhan Saboo	-	-	-	2.31	-
Mr. Pranav S Saboo	-	-	-	1.08	-
<b>5 Compensation to key managerial personnel*</b>					
Short-term employee benefits					
Mr. Yashovardhan Saboo	-	-	-	521.29	-
Mr. Sanjeev Kumar Masown	-	-	-	135.72	-
Mr. Brahm Prakash Kumar	-	-	-	43.40	-
<b>6 Interest income</b>					
Mr. Sanjeev Kumar Masown	-	-	-	8.51	-
<b>7 Interest paid/ accrued</b>					
Mr. R. K. Saboo	-	-	-	-	13.40
Mr. Sanjeev Kumar Masown	-	-	-	8.75	-

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

(All amounts are in Indian Rupees Lacs, except for share data)

	Associate	Joint venture	Related entities of KMP	Key management personnel (KMP)	Other related parties
Mrs. Neeraj Masown	-	-	-	-	11.25
Mr. Lal Chand Masown	-	-	-	-	1.61
Mr. Yashovardhan Saboo	-	-	-	12.43	-
Mr. Anil Khanna	-	-	-	6.12	-
Mrs. Alka Khanna	-	-	-	-	1.48
Mrs. Ranjana Agarwal	-	-	-	25.73	-
Mrs. Usha Devi Saboo	-	-	-	-	25.71
Mr. Praveen Gupta	-	-	-	2.93	-
Mr. Saahil Khanna	-	-	-	-	0.66
Ms. Salonee Khanna	-	-	-	-	0.23
ASP Saboo Family Trust	-	-	0.54	-	-
RKS JS Family Trust	-	-	14.21	-	-
UDS JS Family Trust	-	-	0.46	-	-
Mr. Brahm Prakash Kumar	-	-	-	5.49	-
Mrs. Anuradha Saboo	-	-	-	18.08	-
Ms. Muskan Masown	-	-	-	-	2.17
Veena Kanoria Family Trust	-	-	23.26	-	-
<b>8 Deposits accepted/renew</b>					
Mrs. Ranjana Agarwal	-	-	-	164.90	-
Mr. R. K. Saboo	-	-	-	-	160.00
Mr. Sanjeev Kumar Masown	-	-	-	20.00	-
Mr. Praveen Gupta	-	-	-	30.00	-
Mrs. Neeraj Masown	-	-	-	-	28.55
Mr. Lal Chand Masown	-	-	-	-	18.25
Mr. Yashovardhan Saboo	-	-	-	200.00	-
Mrs. Usha Devi Saboo	-	-	-	-	268.00
ASP Saboo Family Trust	-	-	5.60	-	-
RKS JS Family Trust	-	-	146.60	-	-
Mr. Brahm Prakash Kumar	-	-	-	9.21	-
UDS JS Family Trust	-	-	5.00	-	-
Mrs. Anuradha Saboo	-	-	-	262.30	-
Veena Kanoria Family Trust	-	-	100.00	-	-
<b>9 Deposits repaid</b>					
Mrs. Ranjana Agarwal	-	-	-	125.00	-
Mr. Lal Chand Masown	-	-	-	-	16.88
Mr. Praveen Gupta	-	-	-	30.00	-
Mr. R.K. Saboo	-	-	-	-	120.00
Mrs. Neeraj Masown	-	-	-	-	23.19
Mrs. Usha Saboo	-	-	-	-	92.00
Mrs. Anuradha Saboo	-	-	-	250.00	-
Mr. Brahm Prakash Kumar	-	-	-	8.50	-
Veena Kanoria Family Trust	-	-	100.00	-	-
UDS JS Family Trust	-	-	5.00	-	-
ASP Saboo Family Trust	-	-	5.18	-	-
RKS JS Family Trust	-	-	146.60	-	-

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS**  
**AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
 (All amounts are in Indian Rupees Lacs, except for share data)

	Associate	Joint venture	Related entities of KMP	Key management personnel (KMP)	Other related parties
<b>10 Reimbursement of expenses received by subsidiary Company</b>					
Pasadena Retail Private Limited	-	54.38	-	-	-
<b>11 Rent received</b>					
Vardhan Properties and Investment Limited	-	-	0.60	-	-
Dream Digital Technology Private Limited	-	-	1.20	-	-
<b>12 Director fees</b>					
Mr. Anil Khanna	-	-	-	9.04	-
Mr. Praveen Gupta	-	-	-	6.83	-
Mr. Jai Vardhan Saboo	-	-	-	2.00	-
Mrs. Ranjana Agarwal	-	-	-	1.28	-
Mr. Sanjiv Sachar	-	-	-	8.50	-
Mrs. Neelima Tripathi	-	-	-	3.00	-
Mrs. Anuradha Saboo	-	-	-	3.00	-
Mr. Nagarajan Subramanian	-	-	-	4.65	-
<b>13 Management consultancy fees paid</b>					
Dream Digital Technology Private Limited	-	-	61.53	-	-
<b>14 CSR contribution made</b>					
KDDL Ethos Foundation	-	-	13.41	-	-
<b>15 Employee benefit expense</b>					
Mr. R. K. Saboo	-	-	-	-	30.00
Mr. Pranav S Saboo	-	-	-	677.77	-
Mrs. Anuradha Saboo	-	-	-	10.08	-
<b>16 Dividend paid</b>					
Mr. R.K. Saboo	-	-	-	-	80.04
Mr. Yashovardhan Saboo	-	-	-	88.59	-
Mrs. Usha Devi Saboo	-	-	-	-	6.80
Mrs. Anuradha Saboo	-	-	-	18.66	-
Mr. Pranav S Saboo	-	-	-	-	32.67
Mrs. Satvika Saboo Suri	-	-	-	-	6.76
Vardhan Properties and Investment Limited	-	-	1.53	-	-
Dream Digital Technology Private Limited	-	-	1.18	-	-
Saboo Ventures LLP	-	-	2.64	-	-
Mr. Sanjiv Sachar	-	-	-	0.06	-
Mr. Brahm Prakash Kumar	-	-	-	0.09	-
Mr. Nagarajan Subramanian	-	-	-	0.00	-
Mr. Lal Chand Masown	-	-	-	-	0.00
Mrs. Neeraj Masown	-	-	-	-	0.00
Ms. Muskan Masown	-	-	-	-	0.00

\*(Excluding provision for leave encashment, gratuity and bonus as they are determined on an actuarial basis for the company as a whole)



**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

(All amounts are in Indian Rupees Lacs, except for share data)

**Year ended 31<sup>st</sup> March 2024**

	Associate	Joint venture	Related entities of KMP	Key management personnel (KMP)	Other related parties
<b>1 Sale of goods and services</b>					
Mr. Pranav S Saboo	-	-	-	66.73	-
Mr. Jai Vardhan Saboo	-	-	-	62.31	-
Mrs. Sativa Saboo Suri	-	-	-	-	3.98
Mrs. Malvika Saboo	-	-	-	-	4.42
Dream Digital Technology Private Limited	-	-	5.31	-	-
<b>2 Purchase of goods</b>					
Dream Digital Technology Private Limited	-	-	22.63	-	-
Mrs. Malvika Saboo	-	-	-	-	33.50
Rival Soul International SARL	-	-	28.48	-	-
<b>3 Compensation to key managerial personnel*</b>					
Short-term employee benefits					
Mr. Yashovardhan Saboo	-	-	-	436.44	-
Mr. Sanjeev Kumar Masown	-	-	-	104.76	-
Mr. Brahm Prakash Kumar	-	-	-	42.53	-
<b>4 Interest income</b>					
Mr. Sanjeev Kumar Masown	-	-	-	3.24	-
<b>5 Interest paid/ accrued</b>					
VBL Innovations Private Limited	-	-	19.88	-	-
Mr. R. K. Saboo	-	-	-	-	11.40
Mr. Sanjeev Kumar Masown	-	-	-	8.35	-
Mrs. Neeraj Masown	-	-	-	-	9.60
Mr. Lal Chand Masown	-	-	-	-	1.50
Mr. Anil Khanna	-	-	-	16.42	-
Mrs. Alka Khanna	-	-	-	-	2.98
Mrs. Ranjana Agarwal	-	-	-	79.49	-
Mrs. Usha Devi Saboo	-	-	-	-	21.29
Mr. Praveen Gupta	-	-	-	2.93	-
Mr. Saahil Khanna	-	-	-	-	0.98
Ms. Salonee Khanna	-	-	-	-	0.58
ASP Saboo Family Trust	-	-	0.47	-	-
RKS JS Family Trust	-	-	12.52	-	-
UDS JS Family Trust	-	-	0.45	-	-
Mr. Brahm Prakash Kumar	-	-	4.79	-	-
Mrs. Anuradha Saboo	-	-	-	10.77	-
Mrs. Muskan Masown	-	-	-	-	1.69
Veena Kanoria Family Trust	-	-	20.06	-	-
<b>6 Deposits accepted/renew</b>					
Mrs. Ranjana Agarwal	-	-	-	210.86	-
Mr. Sanjeev Kumar Masown	-	-	-	49.93	-
Mrs. Neeraj Masown	-	-	-	-	119.33
Mr. Lal Chand Masown	-	-	-	-	16.88
Ms. Salonee Khanna	-	-	-	-	4.09
Mr. Yashovardhan Saboo	-	-	-	100.00	-
Mrs. Usha Devi Saboo	-	-	-	-	62.00
Mr. Anil Khanna	-	-	-	49.40	-

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS**  
**AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
 (All amounts are in Indian Rupees Lacs, except for share data)

	Associate	Joint venture	Related entities of KMP	Key management personnel (KMP)	Other related parties
ASP Saboo Family Trust	-	-	5.18	-	-
RKS JS Family Trust	-	-	191.60	-	-
Mr. Brahm Prakash Kumar	-	-	-	23.21	-
UDS JS Family Trust	-	-	5.00	-	-
Mrs. Anuradha Saboo	-	-	-	150.00	-
Ms. Muskan Masown	-	-	-	-	40.72
Veena Kanoria Family Trust	-	-	240.00	-	-
<b>7 Deposits repaid</b>					
Mrs. Ranjana Agarwal	-	-	-	282.79	-
Mr. Sanjeev Kumar Masown	-	-	-	36.82	-
Mr. Lal Chand Masown	-	-	-	-	15.27
Mrs. Neeraj Masown	-	-	-	-	60.58
Ms. Salonee Khanna	-	-	-	-	3.15
Mrs. Usha Devi Saboo	-	-	-	-	40.00
Mr. Brahm Prakash Kumar	-	-	-	13.58	-
Mr. Anil Khanna	-	-	-	47.16	-
Veena Kanoria Family Trust	-	-	140.00	-	-
Ms. Muskan Masown	-	-	-	-	20.00
UDS JS Family Trust	-	-	5.00	-	-
ASP Saboo Family Trust	-	-	5.00	-	-
Mr. Yashovardhan Saboo	-	-	-	100.00	-
RKS JS Family Trust	-	-	45.00	-	-
<b>8 Reimbursement of expenses received by subsidiary Company</b>					
Pasadena Retail Private Limited	-	38.90	-	-	-
<b>9 Rent received</b>					
Vardhan Properties and Investment Limited	-	-	0.60	-	-
Dream Digital Technology Private Limited	-	-	1.20	-	-
<b>10 Director fees</b>					
Mr. Anil Khanna	-	-	-	17.24	-
Mr. Praveen Gupta	-	-	-	6.83	-
Mr. Jai Vardhan Saboo	-	-	-	1.38	-
Mrs. Ranjana Agarwal	-	-	-	5.43	-
Mr. Sanjiv Sachar	-	-	-	4.30	-
Mrs. Neelima Tripathi	-	-	-	2.88	-
Mrs. Anuradha Saboo	-	-	-	2.63	-
Mr. Nagarajan Subramanian	-	-	-	3.58	-
<b>11 Publicity &amp; Advertisement</b>					
Dream Digital Technology Private Limited	-	-	55.20	-	-
<b>12 Management consultancy fees paid</b>					
Mrs. Satvika Saboo Suri	-	-	-	-	12.50
<b>13 CSR contribution made</b>					
KDDL Ethos Foundation	-	-	18.53	-	-
<b>14 Employee benefit expense</b>					
Mr. R. K. Saboo	-	-	-	-	30.00
Mr. Pranav Saboo	-	-	-	-	468.08
Mrs. Anuradha Saboo	-	-	-	8.06	-

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

(All amounts are in Indian Rupees Lacs, except for share data)

	Associate	Joint venture	Related entities of KMP	Key management personnel (KMP)	Other related parties
<b>15 Dividend paid</b>					
Mr. R.K. Saboo	-	-	-	-	1,200.66
Mr. Yashovardhan Saboo	-	-	-	1,360.44	-
Mrs. Usha Devi Saboo	-	-	-	-	101.94
Mrs. Anuradha Saboo	-	-	-	-	269.31
Mr. Pranav S. Saboo	-	-	-	-	479.43
Mrs. Satvika Saboo Suri	-	-	-	-	90.80
Vardhan Properties and Investment Limited	-	-	22.89	-	-
Dream Digital Technology Private Limited	-	-	17.65	-	-
Saboo Ventures LLP	-	-	39.55	-	-
Mr. Sanjiv Sachar	-	-	-	0.91	-
Mr. Anil Khanna	-	-	-	1.03	-
Mr. Brahm Prakash Kumar	-	-	-	1.36	-
Mr. Nagarajan Subramanian	-	-	-	0.02	-
Ms. Salonee Khanna	-	-	-	-	0.01
Mrs. Alka Khanna	-	-	-	-	0.12

\*(Excluding provision for leave encashment, gratuity and bonus as they are determined on an actuarial basis for the company as a whole)

**d) Amount outstanding**

**As at 31<sup>st</sup> March 2025**

	Associate	Joint venture	Related entities of KMP	Key management personnel (KMP)	Other related parties
<b>1 Loans and advances</b>					
Mr. Sanjeev Kumar Masown	-	-	-	160.33	-
<b>2 Other current assets</b>					
Mr. Yashovardhan Saboo	-	-	-	13.39	-
Mr. Sanjeev Kumar Masown	-	-	-	4.47	-
<b>3 Other financial assets</b>					
Artisan Watch Products Private Limited	-	-	5.09	-	-
Mrs. Anuradha Saboo	-	-	-	1.94	-
<b>4 Payables</b>					
Mr. Yashovardhan Saboo	-	-	-	4.81	-
<b>5 Deposits</b>					
Mr. Sanjeev Kumar Masown	-	-	-	98.62	-
Mr. Lal Chand Masown	-	-	-	-	18.25
Ms. Neeraj Masown	-	-	-	-	107.73
Mr. R. K. Saboo	-	-	-	-	160.00
Mr. Yashovardhan Saboo	-	-	-	200.00	-
Mrs. Usha Devi Saboo	-	-	-	-	308.00
Mr. Praveen Gupta	-	-	-	30.00	-
ASP Saboo Family Trust	-	-	5.60	-	-
RKS JS Family Trust	-	-	146.60	-	-
Ms. Muskan Masown	-	-	-	-	20.72
UDS JS Family Trust	-	-	5.00	-	-
Veena Kanoria Family Trust	-	-	240.00	-	-

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS**  
**AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
 (All amounts are in Indian Rupees Lacs, except for share data)

	Associate	Joint venture	Related entities of KMP	Key management personnel (KMP)	Other related parties
Mr. Brahm Prakash Kumar	-	-	-	51.60	-
Mrs. Anuradha Saboo	-	-	-	162.30	-
<b>6 Interest accrued but not due</b>					
Mr. Sanjeev Kumar Masown	-	-	-	15.38	-
Mr. Lal Chand Masown	-	-	-	-	2.17
Mr. R. K. Saboo	-	-	-	-	1.89
Mr. Yashovardhan Saboo	-	-	-	12.43	-
Mrs. Neeraj Masown	-	-	-	-	21.30
Mrs. Usha Devi Saboo	-	-	-	-	6.85
ASP Saboo Family Trust	-	-	0.48	-	-
RKS JS Family Trust	-	-	4.34	-	-
Mr. Brahm Prakash Kumar	-	-	-	10.31	-
Mrs. Anuradha Saboo	-	-	-	28.84	-
Ms. Muskan Masown	-	-	-	-	3.05
<b>7 Employee related payables</b>					
Mr. Yashovardhan Saboo	-	-	-	8.17	-
Mr. Sanjeev Kumar Masown	-	-	-	8.15	-
Mr. R.K. Saboo	-	-	-	-	2.12
Mr. Brahm Prakash Kumar	-	-	-	2.33	-
<b>8 Balance due from the related parties</b>					
Pasadena Retail Private Limited	-	20.93	-	-	-
Mr. Pranav Shankar Saboo	-	-	-	31.83	-
Mr. Jai Vardhan Saboo	-	-	-	105.00	-
Mr. Yashovardhan Saboo	-	-	-	8.59	-

**Amount outstanding**

**As at 31<sup>st</sup> March 2024**

	Associate	Joint venture	Related entities of KMP	Key management personnel (KMP)	Other related parties
<b>1 Loans and advances</b>					
Mr. Sanjeev Kumar Masown	-	-	-	94.68	-
<b>2 Interest Receivable from Director</b>					
Mr. Sanjeev Kumar Masown	-	-	-	2.23	-
<b>3 Other current assets</b>					
Mr. Yashovardhan Saboo	-	-	-	1.71	-
<b>4 Payables</b>					
Mrs. Anuradha Saboo	-	-	-	0.47	-
Mr. Anil Khanna	-	-	-	0.65	-
Mrs. Neelima Tripathi	-	-	-	0.47	-
Mrs. Ranjana Agarwal	-	-	-	0.65	-
Mr. Praveen Gupta	-	-	-	0.47	-
Mr. Sanjiv Sachar	-	-	-	0.18	-
Mr. Nagarajan Subramanian	-	-	-	0.65	-
<b>5 Deposits</b>					
Mr. Sanjeev Kumar Masown	-	-	-	78.62	-
Mr. Lal Chand Masown	-	-	-	-	16.88
Mrs. Neeraj Masown	-	-	-	-	102.37

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

(All amounts are in Indian Rupees Lacs, except for share data)

	Associate	Joint venture	Related entities of KMP	Key management personnel (KMP)	Other related parties
Mr. Anil Khanna	-	-	-	163.16	-
Mrs. Alka Khanna	-	-	-	-	29.70
Mrs. Ranjana Agarwal	-	-	-	627.01	-
Mr. R. K. Saboo	-	-	-	-	120.00
Mrs. Usha Devi Saboo	-	-	-	-	205.71
Mr. Saahil Khanna	-	-	-	-	8.50
Mr. Praveen Gupta	-	-	-	30.00	-
Ms. Salonee Khanna	-	-	-	-	5.94
ASP Saboo Family Trust	-	-	5.18	-	-
RKS JS Family Trust	-	-	146.60	-	-
Ms. Muskan Masown	-	-	-	-	20.72
UDS JS Family Trust	-	-	5.00	-	-
Veena Kanoria Family Trust	-	-	240.00	-	-
Mr. Brahm Prakash Kumar	-	-	-	50.89	-
Mrs. Anuradha Saboo	-	-	-	150.00	-
<b>6 Interest accrued but not due</b>					
Mr. Sanjeev Kumar Masown	-	-	-	6.63	-
Mr. Lal Chand Masown	-	-	-	-	0.56
Mrs. Neeraj Masown	-	-	-	-	10.05
Mr. Anil Khanna	-	-	-	18.03	-
Mrs. Ranjana Agarwal	-	-	-	115.12	-
Mrs. Usha Devi Saboo	-	-	-	-	9.55
ASP Saboo Family Trust	-	-	0.41	-	-
Mr. Saahil Khanna	-	-	-	-	1.20
RKS JS Family Trust	-	-	1.83	-	-
Mr. Brahm Prakash Kumar	-	-	-	4.81	-
Mrs. Anuradha Saboo	-	-	-	10.77	-
Ms. Muskan Masown	-	-	-	-	0.88
Mrs. Salonee Khanna	-	-	-	-	0.58
<b>7 Employee related payables</b>					
Mr. Yashovardhan Saboo	-	-	-	28.24	-
Mr. Sanjeev Kumar Masown	-	-	-	7.02	-
Mr. R.K. Saboo	-	-	-	-	1.74
Mr. Pranav Shankar Saboo	-	-	-	16.99	-
Mr. Brahm Prakash Kumar	-	-	-	1.66	-
Mrs. Anuradha Saboo	-	-	-	-	0.62
<b>8 Balance due from the related parties</b>					
Pasadena Retail Private Limited	-	34.18	-	-	-
Mr. Pranav Shankar Saboo	-	-	-	-	22.14
Mr. Jai Vardhan Saboo	-	-	-	72.65	-
Dream Digital Technology Private Limited	-	-	0.35	-	-
Mr. Yashovardhan Saboo	-	-	-	1.36	-
<b>9 Investments</b>					
Pasadena Retail Private Limited	-	275.00	-	-	-
Haute-Rive Watches SA	-	-	134.92	-	-

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

**e) Other transactions**

1. Security being provided for loan taken from RC Tritec against personal guarantee of Chairman and Chief financial officer of the Group.

**f) Terms and conditions of transactions with related parties**

All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business. Outstanding balances at the year end are unsecured and settlement occurs in cash.

**43 OPERATING SEGMENTS**

**(a) Basis for segmentation**

As per Ind AS 108, Operating Segments have been defined and presented based on the regular review by the Chief Operating Decision Maker to assess the performance of each segment and to make decision about allocation of resources. The accounting principles used in the preparation of the consolidated audited financial results are consistently applied to record revenue and expenditure in individual segments except for merging watch and accessories, marketing support and other services and luxury cars into one business segment by one of the subsidiary company i.e. watches, accessories and other luxury items and related services with effect from 1<sup>st</sup> April, 2022. The new segment information namely revenue, results, segment assets and segment liabilities is derived by a simple arithmetic addition of the aforesaid particulars of the consolidating segments and as such there is no financial effect of the change.

The Group has three reportable segments, as described below, which are the Group's strategic business units. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the Group's Chairman and Managing Director reviews internal management reports on at least a quarterly basis.

The following summary describes the operations in each of the Group's reportable segments:

Reportable segments	Operations
Precision and watch components	Manufacturing and distribution of dials, watch hands, bracelets and precision components
Watch, accessories and other luxury items and related services	Trading of watches and accessories
Others	Manufacturing and distribution of packaging boxes

**(b) Information about reportable segments**

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Group's Chairman and Managing Director. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Year ended 31 <sup>st</sup> March 2025	Precision and watch components	Watch, accessories and other luxury items and related services	Others	Total
Segment revenue:				
- External revenues	37,631.07	1,25,437.18	1,759.91	1,64,828.16
- Inter-segment revenue	27.93	(0.66)	(67.75)	(40.48)
<b>Total segment revenue</b>	<b>37,659.00</b>	<b>1,25,436.52</b>	<b>1,692.16</b>	<b>1,64,787.68</b>
<b>Segment profit/(loss) before income tax</b>	<b>7,506.26</b>	<b>12,590.44</b>	<b>(117.23)</b>	<b>19,979.47</b>
<b>Segment assets</b>	<b>35,640.03</b>	<b>1,19,558.76</b>	<b>4,160.54</b>	<b>1,59,359.33</b>
Segment assets include:				
- Investments accounted for using equity method	-	388.37	-	388.37
- Capital expenditure during the year	5,592.55	7,696.20	569.34	13,858.09
<b>Segment liabilities</b>	<b>7,067.00</b>	<b>13,921.64</b>	<b>257.50</b>	<b>21,246.14</b>

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**

(All amounts are in Indian Rupees Lacs, except for share data)

<b>Year ended 31<sup>st</sup> March 2024</b>	<b>Precision and watch components</b>	<b>Watch and watch accessories</b>	<b>Others</b>	<b>Total</b>
Segment revenue:				
- External revenues	37,716.67	99,898.60	1,849.90	1,39,465.16
- Inter-segment revenue	(7.55)	(5.60)	(348.80)	(361.96)
<b>Total segment revenue</b>	<b>37,709.12</b>	<b>99,892.99</b>	<b>1,501.09</b>	<b>1,39,103.20</b>
<b>Segment profit/(loss) before income tax</b>	<b>10,272.99</b>	<b>10,669.36</b>	<b>117.06</b>	<b>21,059.40</b>
<b>Segment assets</b>	<b>27,316.03</b>	<b>80,293.25</b>	<b>1,216.56</b>	<b>1,08,825.84</b>
<b>Segment assets include:</b>				
- Investments accounted for using equity method	-	381.24	-	381.24
- Capital expenditure during the year	4,561.24	3,605.53	243.15	8,409.92
<b>Segment liabilities</b>	<b>8,160.43</b>	<b>14,114.24</b>	<b>215.46</b>	<b>22,490.13</b>

**(c) Reconciliations of information on reportable segments to Ind AS measures**

	<b>As at 31<sup>st</sup> March 2025</b>	<b>As at 31<sup>st</sup> March 2024</b>
<b>i. Revenues</b>		
Total revenue for reportable segments	1,64,828.16	1,39,465.16
Elimination of inter-segment revenue	(40.48)	(361.96)
<b>Total revenue</b>	<b>1,64,787.68</b>	<b>1,39,103.20</b>
<b>ii. Profit before tax</b>		
Total profit before tax for reportable segments	19,979.47	21,059.40
Finance cost	(3,141.74)	(2,622.37)
Unallocated amounts:		
Corporate expenses (net of un-allocated revenue)	2,112.40	186.06
<b>Consolidated profit before tax</b>	<b>18,950.13</b>	<b>18,623.09</b>
<b>iii. Assets</b>		
Total assets for reportable segments	1,59,359.33	1,08,825.84
Unallocated amounts	49,650.55	55,326.88
<b>Consolidated total assets</b>	<b>2,09,009.88</b>	<b>1,64,152.72</b>
<b>iv. Liabilities</b>		
Total liabilities for reportable segments	21,246.14	22,490.13
Unallocated amounts	46,713.78	27,232.59
<b>Consolidated total liabilities</b>	<b>67,959.92</b>	<b>49,722.72</b>



**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS**  
**AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
 (All amounts are in Indian Rupees Lacs, except for share data)

**v. Other material items**

	Reportable segment total	Adjustments	Consolidated total
<b>Year ended 31<sup>st</sup> March 2025</b>			
Finance cost	-	3,141.74	3,141.74
Capital expenditure during the year	13,858.09	99.65	13,957.74
Depreciation and amortisation expense	8,374.61	236.82	8,611.43
<b>Year ended 31<sup>st</sup> March 2024</b>			
Finance cost	-	2,622.37	2,622.37
Capital expenditure during the year	8,409.92	47.59	8,457.51
Depreciation and amortisation expense	6,248.39	244.34	6,492.73

**(d) Geographical information**

**i. Revenues**

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
<b>India</b>	<b>1,38,151.23</b>	<b>1,10,193.87</b>
<b>Outside India</b>		
Switzerland	15,651.07	21,869.32
Germany	1,266.59	1,113.16
United Kingdom	1,361.16	1,353.33
USA	6,007.39	2,847.85
France	370.16	586.20
Portugal	169.84	216.91
Czech Republic	1,153.94	538.71
China	217.22	139.10
Other countries	439.08	244.75
<b>Total outside India</b>	<b>26,636.45</b>	<b>28,909.33</b>
<b>Total</b>	<b>1,64,787.68</b>	<b>1,39,103.20</b>

**ii. Non-current assets**

	Year ended 31 <sup>st</sup> March 2025	Year ended 31 <sup>st</sup> March 2024
<b>India</b>	<b>66,211.17</b>	<b>41,454.62</b>
<b>Outside India</b>		
Switzerland	6,986.26	5,251.58
<b>Total outside India</b>	<b>6,986.26</b>	<b>5,251.58</b>
<b>Total</b>	<b>73,197.43</b>	<b>46,706.21</b>

\*In presenting the geographical information, segment revenue has been based on the geographic location of the customers.

**(e) Major customer**

For the year ended 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024, there is no major customer with respect to consolidated revenue of the group.

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

**44 Group as a lessee**

The Parent Company has lease contracts for various items of plant and equipment, building and land used in its operations. Leases of plant and equipment generally have lease terms between 3-5 years, while buildings generally have lease terms between 1-10 years, while leasehold land has lease term of 99 years. Further, The Ethos Limited, a subsidiary company has lease contracts for various retail stores and furniture to be used for its operations. The Leases generally have lease terms 2-10 years for building and 4-10 years for furniture. The Group obligations under its leases are secured by the lessor's title to the leased assets.

The Group has certain leases with lease terms of 12 months or less and certain leases with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

**The carrying amounts of right-of-use assets recognised and the movements during the year:**

Particulars	Plant and equipment	Building	Leasehold land \$	Stores Building	Furniture	Total
<b>As at 1<sup>st</sup> April 2023</b>	<b>454.97</b>	<b>213.57</b>	<b>535.62</b>	<b>10,188.10</b>	<b>105.12</b>	<b>11,497.38</b>
Additions	306.99	171.06	-	5,581.89	109.07	6,169.01
Depreciation expense through income statement	(149.93)	(147.52)	(6.28)	(3,338.71)	(53.85)	(3,696.30)
Deletions/Modification	11.02	-	-	(63.49)	-	(52.47)
<b>As at 31<sup>st</sup> March 2024</b>	<b>623.03</b>	<b>237.11</b>	<b>529.34</b>	<b>12,367.79</b>	<b>160.34</b>	<b>13,917.62</b>

Particulars	Plant and equipment	Building	Leasehold land \$	Stores Building	Furniture	Total
<b>As at 1<sup>st</sup> April 2024</b>	<b>623.03</b>	<b>237.11</b>	<b>529.34</b>	<b>12,367.79</b>	<b>160.34</b>	<b>13,917.62</b>
Additions	2,144.85	1,135.36	-	19,951.43	-	23,231.64
Depreciation expense through income statement	(442.98)	(157.27)	(6.28)	(4,413.24)	(60.88)	(5,080.64)
Deletions/Modification	20.70	-	-	(1,194.99)	-	(1,174.29)
Depreciation expense through Pre-operative expenses	-	-	-	(768.70)	-	(768.70)
<b>As at 31<sup>st</sup> March 2025</b>	<b>2,345.60</b>	<b>1,215.20</b>	<b>523.06</b>	<b>25,942.30</b>	<b>99.46</b>	<b>30,125.62</b>

\$ Includes leasehold land of Rs. 5.67 (31<sup>st</sup> March 2024: Rs. 5.67) situated at Parwanoo for which the Company is in the process of completing formalities for transferring the title deed in its own name.

**The carrying amounts of lease liabilities and the movements during the year:**

Particulars	Total
<b>As at 1<sup>st</sup> April 2023</b>	<b>11,890.20</b>
Additions	5,871.34
Accretion of interest through income statement	1,589.21
Payments	(4,710.39)
Deletions/Modification	(68.61)
<b>As at 31<sup>st</sup> March 2024</b>	<b>14,571.76</b>
<b>Current</b>	<b>2,929.47</b>
<b>Non-current</b>	<b>11,642.29</b>

Particulars	Total
<b>As at 1<sup>st</sup> April 2024</b>	<b>14,571.76</b>
Additions	21,159.31
Accretion of interest through income statement	2,103.80
Accretion of interest through Pre-operative expenses	735.88
Payments	(4,820.17)
Deletions/Modification	(1,299.03)
<b>As at 31<sup>st</sup> March 2025</b>	<b>32,451.55</b>
<b>Current</b>	<b>4,969.23</b>
<b>Non-current</b>	<b>27,482.32</b>

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

The details regarding the maturity analysis of lease liabilities as at 31<sup>st</sup> March 2025 and 31<sup>st</sup> March 2024 on an undiscounted basis is disclosed in Note 36.

Considering the lease term of the leases, the effective interest rate for lease liabilities varies from 9.80% to 11.98%.

The Group 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.

The following are the amounts recognised in profit and loss:

**For the year ended 31<sup>st</sup> March 2024**

Particulars	Plant and equipment	Building	Land	Stores Building	Furniture	Total
Depreciation expense of right-of-use assets	149.93	147.52	6.28	3,338.71	53.85	3,696.30
Interest expense on lease liabilities	43.82	40.33	-	1,505.06	-	1,589.21
Expense relating to short-term leases (included in other expenses)*	-	28.85	-	832.98	-	861.83
<b>Total amount recognised in profit and loss</b>	<b>193.75</b>	<b>216.71</b>	<b>6.28</b>	<b>5,676.75</b>	<b>53.85</b>	<b>6,147.34</b>

\* Gross of reimbursement received of Rs. 13.11

**For the year ended 31<sup>st</sup> March 2025**

Particulars	Plant and equipment	Building	Land	Stores Building	Furniture	Total
Depreciation expense of right-of-use assets	442.98	157.27	6.28	4,413.24	60.88	5,080.64
Interest expense on lease liabilities	158.39	120.91	-	1,824.50	-	2,103.80
Expense relating to short-term leases (included in other expenses)*	6.26	20.12	-	645.14	-	671.52
<b>Total amount recognised in profit and loss</b>	<b>607.63</b>	<b>298.30</b>	<b>6.28</b>	<b>6,882.88</b>	<b>60.88</b>	<b>7,855.96</b>

\* Gross of reimbursement received of Rs. 13.20

The Group had total cash outflows for leases of Rs. 6,765.04 in 31<sup>st</sup> March 2025 (Rs. 4,710.39 in 31<sup>st</sup> March 2024).

- 45** The Group has established a comprehensive system of maintenance of information and documents as required by the transfer pricing regulation under sections 92-92F of the Income-Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company continuously updates its documentation for the international transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by the due date as required under law. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of income tax expense and that of provision for taxation.

**46 DISCLOSURES PURSUANT TO SECTION 186 OF THE COMPANIES ACT, 2013:**

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Investment</b>		
<b>Investment in joint venture: Pasadena Retail Private Limited</b>		
Balance as at the year end	388.37	381.24
Maximum amount outstanding at any time during the year	388.37	381.24
<b>Investment in company: Karolview Developers Private Limited</b>		
Balance as at the year end	43.54	43.55
Maximum amount outstanding at any time during the year	43.55	43.65
<b>Investment in company: Shivalik Waste Management Limited</b>		
Balance as at the year end	7.15	6.43
Maximum amount outstanding at any time during the year	7.15	6.43

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

	As at 31 <sup>st</sup> March 2025	As at 31 <sup>st</sup> March 2024
<b>Investment in company: Haute-Rive Watches SA</b>		
Balance as at the year end	177.45	134.92
Maximum amount outstanding at any time during the year	177.45	134.92
<b>Investment in company: Czapek &amp; Cie SA</b>		
Balance as at the year end	25.74	25.74
Maximum amount outstanding at any time during the year	25.74	25.74

- 47 (a) During the previous year, the subsidiary company Ethos Limited has completed its Qualified Institutions Placement ('QIP') of 11,31,210 equity shares of face value of Rs. 10 each at an issue price of Rs. 1,547 per share (including securities premium of Rs. 1,537 per share) aggregating to Rs. 17,499.82.

Consequent to allotment of fresh issue of equity shares on 3<sup>rd</sup> November 2023, the paid-up equity share capital of the subsidiary Company stands increased from Rs. 2,334.92 consisting of 2,33,49,233 Equity Shares of Rs. 10 each to Rs. 2,448.04 consisting of 2,44,80,443 Equity Shares of Rs. 10 each.

The total offer expenses in relation to the fresh issue are Rs. 540.18 (excluding taxes). The utilization of QIP proceeds from fresh issue (net of QIP related expense of Rs. 540.18) is summarized below:

Particulars	Amount
Amount received from fresh issue	17,499.82
Less: Offer related expenses in relation to the fresh issue	(540.18)
<b>Net proceeds available for utilisation</b>	<b>16,959.64</b>

Particulars	Amount	Utilisation upto 31 <sup>st</sup> March 2025	Unutilized as on 31 <sup>st</sup> March 2025 <sup>^</sup>
Funding working capital requirements of the Company*	13,125.00	8,455.97	4,669.03
General corporate purpose**	3,834.64	-	3,834.64
<b>Net proceeds available for utilisation</b>	<b>16,959.64</b>	<b>8,455.97</b>	<b>8,503.67</b>

\* Utilization for the object "Funding working capital requirement of subsidiary Company" made during the year ending 31<sup>st</sup> March 2025, is Rs. 8,455.97. The Subsidiary Company has utilized additional funds for Rs. 498.88 out of the next year fund utilization projections on account of increased need of working capital for operations during the Fiscal 2025.

\*\* The Prospectus specifies that "If the net proceeds are not utilised (in full or in part) for the objects during the periods stated in this section due to factors such as the timing of completion of the issue, economic and market conditions outside the control of Subsidiary Company and any other business and commercial considerations, the remaining net proceeds shall be utilised in subsequent periods in such manner as may be determined by the Subsidiary Company."

Rs. 2,000 could not be utilized towards the aforementioned object due to delay in procurement of inventory for various new stores in Delhi NCR area. The same will be utilized in the subsequent quarter.

<sup>^</sup> Net unutilised proceeds as on 31<sup>st</sup> March 2025 have been temporarily invested in deposits with scheduled banks and kept in current account.

- (b) During the previous year, Group has sold 10,80,238 equity shares of Rs. 10 each of Ethos Limited (Subsidiary) through open market for net consideration of Rs. 20,985.26 (net of tax).
- (c) Post the above transactions, the consolidated shareholding of the Parent Company (directly and indirectly through its other subsidiary, Mahen Distribution Limited) in Ethos Limited as at 31<sup>st</sup> March 2025 is reduced to 50.12% which have resulted into increase in the amount of minority interest by Rs. 8,185.69 in the consolidated financial statement of the group for the year ended 31<sup>st</sup> March 2025.

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

- 48** Considering the accumulated losses, impairment indicators were identified in relation to property, plant and equipment (PPE) in subsidiary Estima AG. As a result, an impairment assessment was required to be performed by comparing the carrying value of the PPE to its recoverable amount to determine whether an impairment was required to be recognised. The recoverable amount was determined to be the higher of the fair value less cost of disposal, and the value in use, determined by discounting future cash flows. Based on the impairment assessment carried out by the management, recoverable amount from these PPE is higher than their carrying amount, hence no impairment provision is required to be made.
- 49** The Group and its joint venture has used accounting software for maintaining their books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, the Group did not come across any instance of audit trail feature being tampered with, other than the exceptions given below. Furthermore, except for instances mentioned below, the audit trail has been preserved by the Group and its joint venture as per the statutory requirements for record retention from the date the audit trail was enabled for the accounting software.
- The audit trail feature was not enabled at the database level for the accounting software to log any direct data changes and used for maintenance of all accounting records by the Parent Company.
  - The audit trail feature was not enabled at the database level for the period 1<sup>st</sup> April 2024 to 7<sup>th</sup> August 2024 for certain tables of the accounting software to log any direct data changes, used for maintenance of all accounting records by one subsidiary Company.
  - The audit trail feature did not operate throughout the period for a subsidiary company, as the accounting software implementation was in process.
- 50** During the year, the Parent Company has concluded the buy back of 2,37,837 equity shares for an aggregate amount of Rs. 8,799.97 being 1.90% of the total paid up equity share capital at average price of Rs. 3,700 per equity share as approved by the Board of Directors in meeting held on 9<sup>th</sup> July 2024. The equity shares bought back were extinguished on 23<sup>rd</sup> September 2024. Capital redemption reserve was created to the extent of share capital extinguished (Rs. 23.78). The excess cost of buyback of Rs. 8,848.14 (including Rs. 71.95 (net of tax) towards transaction cost of buy back) over par value of shares were offered from securities premium (Rs. 8,776.19) and retained earnings (Rs. 71.95) and corresponding tax on buyback of Rs. 2,044.50 were offset from retained earnings.
- 51** (a) During the current year, the Parent Company has capitalized its bracelet factory w.e.f. 30<sup>th</sup> September 2024 for Rs 2,313.88 including Rs 1,282.92 and Rs 987.77 towards pre-operating expenses and trial run cost, respectively and net of Rs 1,221.15 towards development and tooling cost of the test models and trial runs amount received from one of the customer. Also, the Parent Company has received advance of Rs. 1,413.00 from a major customer which will be adjusted against future sales to that customer.
- (b) During the current year, the Parent Company has also capitalized its packaging facility located at Panchkula, Haryana, for Rs. 664.40 (including Rs. 139.19 for trial run and pre-operating cost) concluded on 1<sup>st</sup> October 2024.
- 52** The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received 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 Parent Company and its Indian subsidiaries will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.
- 53** (a) During the year ended 31<sup>st</sup> March 2023, Ethos Limited, a subsidiary of the Parent Company has acquired 100% stake in Silvercity Brands AG, the Swiss stock corporation having its registered seat in Grenchen, Switzerland from Philipp Schaller, c/o Badertscher Rechtsanwälte AG Mühlebachstrasse 32 8008 Zürich. The Share Capital of the company is CHF 100,000, divided into 100,000 registered shares with a nominal value of CHF 1 each and paid-up Share Capital is 50,000 shares for CHF 1 each. The purchase consideration for acquisition of shares is at CHF 50,000 in an all-cash deal. The subsidiary company has paid CHF 50,000 on 31<sup>st</sup> March 2023. Silvercity Brands AG is wholly owned subsidiary company of Ethos Limited as on 31<sup>st</sup> March 2023.
- During the quarter ended 30<sup>th</sup> June 2023, Ethos Limited (Subsidiary) has further infused CHF 20,50,000, for issue of 20,50,000 registered shares with nominal value of CHF 1 each in Silvercity Brands AG. As on date, Ethos Limited (Subsidiary) holds 21,00,000 equity shares of CHF 1 each (equivalent to Rs. 1,920) in Silvercity Brands AG.
- During the quarter ended 31<sup>st</sup> March 2024, Silvercity Brands AG has further allotted 39,00,000 equity shares of nominal value of CHF 1 each. Out of the total shares allotted, 34,00,000 shares were allotted to group companies and 5,00,000 to minority shareholders. As a result, shareholding of the Group has reduced to 93.83% from the erstwhile 100%.
- During the current year, Subsidiary Companies i.e. Ethos Limited and Mahen Distribution Limited have further invested Rs. 2,138.05 to acquire 12,20,000 equity shares of nominal value of CHF 1 each shares allotted by Silvercity Brands AG. As a result, shareholding of the Group has reduced to 92.63% from the erstwhile 100%.

## NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)

(All amounts are in Indian Rupees Lacs, except for share data)

(b) During the previous year, a wholly owned subsidiary, Silvercity Brands AG has acquired 100% stake in Favre Leuba GmbH, the Swiss stock corporation having its registered seat in Grafenauweg 6, 6300 Zug, Switzerland during September 2023. The Share Capital of the Favre Leuba GmbH is CHF 20,000, divided into 20,000 registered shares with a nominal value of CHF 1 each and paid-up Share Capital is 20,000 shares for CHF 1 each (equivalent to Rs. 18.22). The purchase consideration for acquisition of shares is at CHF 20,000 in an all-cash deal which has been paid by Silvercity Brands AG. Favre Leuba GmbH is wholly owned subsidiary company of Silvercity Brands AG.

54 During the previous year ended 31<sup>st</sup> March 2023, the Subsidiary Company i.e. Ethos Limited had completed its Initial Public Offering ('IPO') of 45,81,500 equity shares of face value of Rs. 10 each at an issue price of Rs. 878 per share (including securities premium of Rs. 868 per share). These equity shares have been listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) with effect from 30<sup>th</sup> May, 2022. The issue was comprised of fresh issue of 42,71,070 equity shares aggregating to Rs. 37,500.00 and offer for sale of 3,10,430 equity shares aggregating to Rs. 2,725.58. Net gain on such offer for sale of 1,54,089 equity shares held by the Holding Company and subsidiary company (Mahen Distribution Limited) amounting to Rs 1,067.00 (net of income tax of Rs 112.00 ) has been included under other equity in the consolidated financial statements.

Consequent to allotment of fresh issue, the paid-up equity share capital of the subsidiary company stands increased from Rs. 1,907.82 consisting of consisting of 1,90,78,163 equity shares of Rs. 10 each to Rs. 2,334.92 consisting of 2,33,49,233 Equity Shares of Rs. 10 each.

The total offer expenses in relation to the fresh issue are Rs. 3,531.05 (excluding taxes). The utilization of IPO proceeds from fresh issue (net of IPO related expense of Rs. 3,531.05) is summarized below:

Particulars	Amount
Amount received from fresh issue	37,500.00
Less: Offer related expenses in relation to the fresh issue	(3,531.05)
<b>Net proceeds available for utilisation</b>	<b>33,968.95</b>

The aforesaid offer related expenses in relation to the Fresh Issue have been adjusted against securities premium as per Section 52 of the Companies Act, 2013.

Particulars	Amount to be utilised as per prospectus	Utilisation upto 31 <sup>st</sup> March 2025	Unutilized as on 31 <sup>st</sup> March 2025**
Repayment or pre-payment certain borrowings	2,989.09	2,989.09	-
Funding working capital requirements	23,496.22	23,496.22	-
Financing the establishment of new stores and renovation of the certain existing stores	3,327.28	2,347.56	979.72
Financing the upgradation of ERP	198.01	198.01	-
General corporate purpose*	3,958.35	3,958.35	-
<b>Total</b>	<b>33,968.95</b>	<b>32,989.23</b>	<b>979.72</b>

\* Amount of Rs. 3,609.87 was original proposed in offer document as part of general corporate purpose has been increased by Rs. 348.48 on account of saving in offer expenses.

\*\* The unutilised amounts lying under the heads 'Financing the establishment of new stores and renovation of the certain existing stores' and 'Financing the upgradation of ERP' shall be utilised within 18 months from the date of obtaining subsidiaries shareholder's approval through Notice issued for Postal Ballot dated 18<sup>th</sup> January 2024. The shareholders have accorded their approval on 21<sup>st</sup> March 2024. Net unutilised proceeds as on 31<sup>st</sup> March 2025 have been temporarily invested in deposits with scheduled banks and kept in current account with scheduled bank.

55 During the current year, the Group through its wholly owned subsidiary, Silvercity Brands AG has acquired Favre Leuba Brand and all related trademarks, sub brands, Logos and brand material for CHF 14,92,757 (equivalent to Rs. 1,360.52). The subsidiary company is in process of getting assignment right registered in its name in countries where this brand is already registered.

### 56 Other Statutory Information

- 1) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- 2) The Group does not have any transactions with companies struck off.
- 3) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 4) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**NOTES TO THE CONSOLIDATED IND AS FINANCIAL STATEMENTS  
AS AT AND FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2025 (Contd.)**  
(All amounts are in Indian Rupees Lacs, except for share data)

- 5) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries); or
  - b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- 6) The Group 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 Group shall:
  - a) 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;
  - b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- 7) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 8) The Group is not declared as wilful defaulter by any bank or financial institution.

- 57** During the previous year, the Parent Company has granted loan of CHF 1,400,000 (Rs. 1,244.60) and made further investment of CHF 1,000,000 (Rs. 846.70) in equity shares of its wholly owned subsidiary Kamla International Holdings SA with a understanding that the subsidiary company will further invest these funds in wholly owned subsidiaries of the Group naming Pylania SA and Estima AG. Out of the total amount invested CHF 6,00,000 was unutilised as at 31<sup>st</sup> March 2023. Mentioned below are the details of balance fund utilised by the said Subsidiary Company.

<b>Date</b>	<b>Particulars</b>	<b>Amount in CHF</b>
1 <sup>st</sup> April 2023	Opening unutilized Fund Balance	6,00,000
<b>Cash outflow</b>		1,44,000
27 <sup>th</sup> April 2023	Investment in Equity of Estima AG	1,50,000
25 <sup>th</sup> May 2023	Loan to Estima AG	66,740
29 <sup>th</sup> June 2023	Interest Payment to Parent Company	26,178
29 <sup>th</sup> August 2023	Interest Payment to Parent Company	2,13,082
11 <sup>st</sup> March 2025	Loan to Pylania SA	6,00,000
Unutilised fund balance as at the year end		-

- 58** During the current year, the Parent Company has purchased 12,450 (62.25%) equity shares of its subsidiary Pylania SA amounting to CHF 19,92,000 (equivalent to Rs. 1978.16) from another subsidiary Company, Kamla International Holding SA. The Parent Company after completion of this transaction is directly holding 100% shareholding in Pylania SA earlier 62.25% of shareholding was held by Kamla International Holding SA.

- 59** There are no significant events after reporting date which need to be disclosed.

As per our report of even date

For and on behalf of the Board of Directors of **KDDL Limited**

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
ICAI firm registration no.: 001076N/N500013

**Yashovardhan Saboo**  
Chairman and Managing Director  
DIN: 00012158

**Sanjeev Kumar Masown**  
Whole Time Director and Chief Financial Officer  
DIN: 03542390

**Rohit Arora**  
Partner  
Membership No. 504774

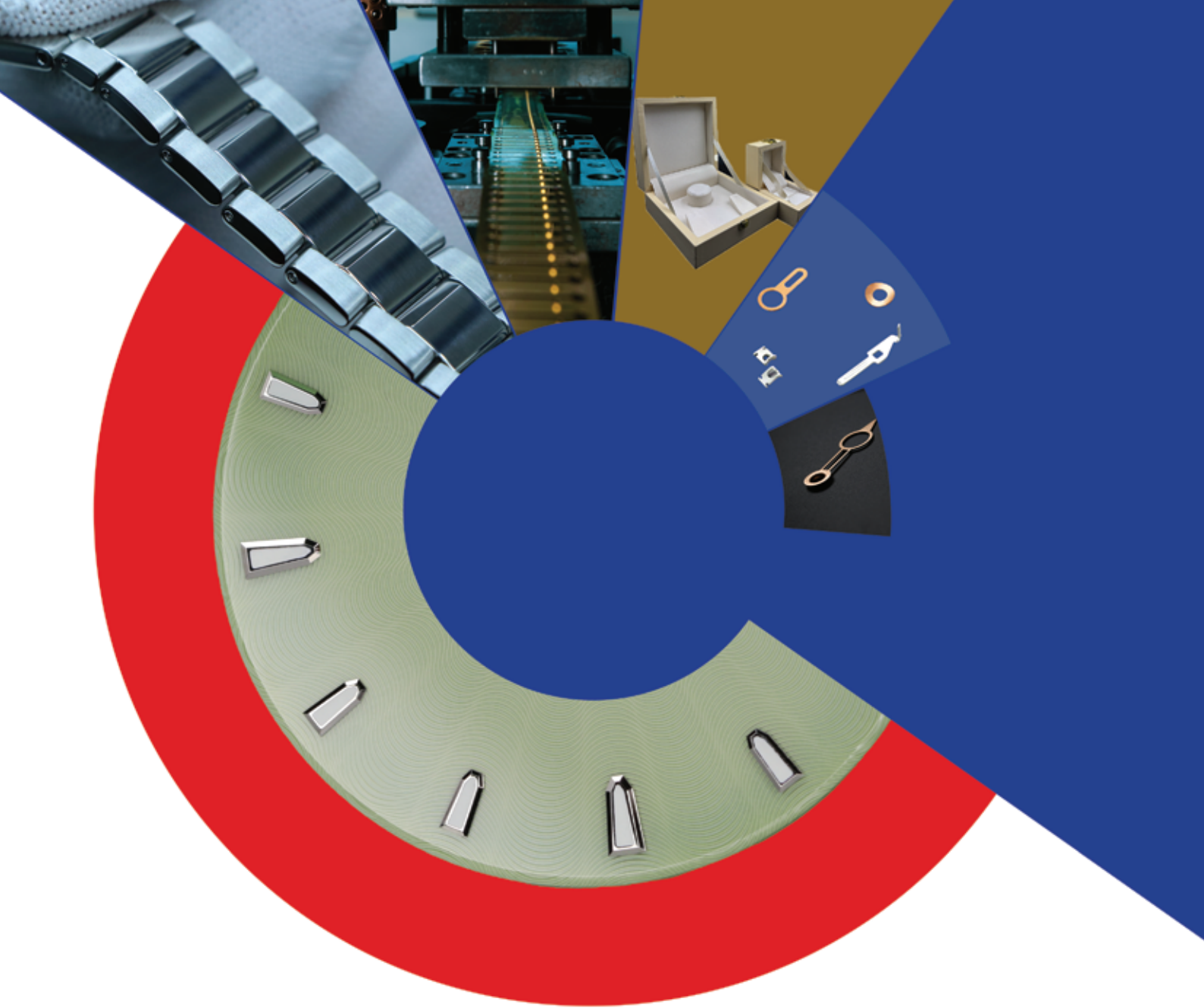
**Brahm Prakash Kumar**  
Company Secretary  
Membership no. FCS7519

Place: Gurugram  
Date: 19<sup>th</sup> May 2025

Place: Chandigarh  
Date: 19<sup>th</sup> May 2025







### **Head Office**

Kamla Center, SCO 88-89, Sector 8-C,  
Chandigarh – 160009, India

Phone: +91 172 2548223 / 24 / 27

Fax: +91 172 254830

Website: [www.kddl.com](http://www.kddl.com)

CIN: L33302HP1981PLC008123

### **If undelivered please return to**

KDDL Limited, SCO 88-89, Sector 8-C,  
Madhya Marg, Chandigarh - 160 009